

TERMS AND CONDITIONS

1. TERMS OF APPLICATION

The tenderer accepts all terms and conditions printed on this form and all other attachments herewith.

2. TENDER AMOUNT

The amount tendered by the tenderer and filled in the space "**AMOUNT TENDERED**" on the form is the amount agreed upon if the tenderer is successful. The amount shall not be increased in any way.

3. ACCEPTANCE OF TENDER

Singapore Airlines Limited ("SIA") is not bound to accept the lowest or any tender, nor is it liable for any claims for whatever costs incurred in the preparation of the tender. SIA may accept the whole or part of the tender, or not make any award at all.

4. AWARD OF TENDER

The award of the tender is subject to such additional terms and conditions as may be agreed upon between SIA and the tenderer.

5. TAXES

The pricing of the goods or services is exclusive of any Goods and Services Tax ("GST"), i.e., prices do not include any GST component. Tenderers must indicate whether they will be charging SIA any GST for the supply.

6. SUPPLY

The successful tenderer will supply the goods in accordance with the specifications at the agreed price, delivery schedule and is bound by the terms and conditions herein.

7. ~~VALIDITY PERIOD~~

The tenderer's offer must be valid for a period of at least 6 calendar months from the closing date of the tender. On expiry of the offer, the tenderer will, if SIA so requires, extend the validity of the offer for a further period to be mutually agreed upon.

8. NO PRICE INCREASE

Bid prices are considered firm. No price increase will be allowed once an award has been made. Prices are exclusive of customs duty imposed by the Singapore government. If the item is dutiable, then the customs duty payable must be quoted separately.

Prices quoted shall be in Singapore Dollars and the currency of country of manufacture, delivered to SIA's premises/sites and inclusive of all installation charges. SIA may elect to pay in either currency.

9. COMMENCEMENT OF CONTRACTUAL OBLIGATIONS

The Tender Documents shall form an integral part of the formal contract that is to be entered into between the parties and until a formal contract is executed The Tender Documents will be binding on both parties on the successful tenderer being notified of the Award of Tender in writing.

10. CONTRACT

The successful tenderer will enter into a formal contract with SIA, incorporating all agreed terms and conditions and obligations undertaken by the tenderer.

11. PURCHASE/WORKS ORDER

SIA Purchasing Authority will issue purchase/works orders for the items and the delivery dates set out in such orders will be used to determine late deliveries.

12. SECURITY DEPOSIT

The successful tenderer will pay SIA a security deposit in Singapore currency equivalent to five percent (5%) of the value of contract. If the deposit is below S\$2,000, the successful tenderer will pay the amount by a crossed cheque (for Singapore tenderers only) or bank draft (for overseas tenderers) made out in favour of Singapore Airlines Ltd. If the deposit is S\$2,000 and above, a banker's guarantee in SIA's standard format (specimen provided) duly stamped by the relevant government department will be accepted. This deposit will be retained by SIA for the duration of the contract and will, after damages, if any, having been deducted, be refunded in Singapore currency to the successful tenderer at the end of the contract by way of a cheque drawn on a bank in Singapore or by way of return of the banker's guarantee, as the case may be. No interest shall be paid on the deposit and any loss resulting from currency exchange shall be borne by the successful tenderer. SIA will not be accountable to the successful tenderer for any gain.

13. ASSIGNMENT OR TRANSFER

SIA may assign or transfer the whole or any part of the contract to a subsidiary or associate company of SIA at any time by notifying the successful tenderer in writing of its intention to do so.

14. SUB-CONTRACT

The successful tenderer will not assign the contract to any person or persons without the prior written consent in writing from SIA.

15. TERMINATION

If the successful tenderer defaults in the performance of the contract, SIA may terminate the contract forthwith and commission an alternate contractor to complete the works. The successful tenderer will reimburse SIA any increased costs incurred by SIA as a result of commissioning the alternate contractor.

16. STAMP DUTY

The tenderer will bear the stamp duty payable on the contract.

17. TERMS OF PAYMENT

Payment by SIA will be 45 days upon receipt of successful tenderer's invoice for services rendered on a monthly basis or the delivery of the goods.

18. PRESERVATION

The successful tenderer must ensure that all materials and equipment are adequately protected and preserved for transportation from the manufacturing plant to site.

19. VARIATION TO WORK CONTENT

If SIA requests changes in the work as outlined in the accepted tender, the successful tenderer will extend its fullest co-operation to SIA on this matter and execute the said changes of work, on receipt of written confirmation from SIA. Cost of any extra work will be agreed to in writing between SIA and successful tenderer before the execution of the said work.

20. COMPLETION TIME AND HANDING OVER TO SIA

If the successful tenderer fails to meet the deadline in the services rendered, SIA at its absolute discretion may:-

- .1 terminate the whole or any part of the contract and obtain such item from other source(s) as SIA shall determine. The successful tenderer will also pay SIA damages incurred in respect of obtaining such item from any source(s) including but not limited to any increase (but not decrease) in prices in respect thereof which SIA is obliged to pay thereof;
 - .2 demand the payment of liquidated damages from the successful tenderer in respect of any period after the date fixed during which SIA shall be without the item ordered and the successful tenderer shall pay SIA such damages. Liquidated damages will be calculated at a rate specified in Tender Documents for every day or part thereof after the date fixed in the Application Form until the successful tenderer obtains supply and completes the delivery; and
 - .3 if the successful tenderer is unable to complete his works within the agreed date specified in the contract due to delay obligations caused by SIA, then the successful tenderer may be given a reasonable period of time to complete his obligations. No price increase will be allowed because of this.
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21. LIQUIDATED DAMAGES

In the event of failure to perform as stipulated, SIA shall have the right to :-

- 1 cancel the whole or any part of this contract, and without any liability to the Contractor in respect of such cancellation whether as to damages or otherwise and SIA may employ such service from any other source/s as SIA shall determine and shall also be entitled to recover from the Contractor damages incurred in respect of employing such service from any source/s including any increase in price in respect thereof which SIA is obliged to pay thereof.
- 2 Liquidated damages will also apply where staggered deliveries are required, i.e, 7 days grace will be given when staggered delivery dates are due and thereafter liquidated damages as set out above will be paid by the successful tenderer.
3. The liquidated damages may be imposed up to a maximum of 10% of the contract value

22. QUALITY

Notwithstanding receipt of the item by SIA and/or payment thereof SIA shall not be deemed to have accepted the item until after inspection. The successful tenderer hereby warrants the merchandise and workmanship of the item delivered and work performed, on the Tender Documents of SIA, to be in accordance in all respects with the specifications of SIA and agrees that this warranty shall survive acceptance. No liability will be assumed by SIA for losses or deterioration in goods received by SIA which are subsequently discovered to be not in conformity with the order. The successful tenderer shall refund the purchase price/charges thereof if paid.

23. GUARANTEE/WARRANTY

The tenderer guarantees that all items supplied to SIA will be of the highest quality, fit for the purpose for which they are intended and free from defects arising out of faulty design, faulty and inferior materials, workmanship or any other causes, and shall comply with each and every requirement of SIA.

The guarantee/warranty period is 24 months from the date of services rendered to SIA. The successful tenderer undertakes all repairs (including provision of replacements, transport and labour) within the warranty period. The cost for such goods and services are included in the bid price.

If the items or any part thereof fail to comply with the requirements of SIA, the successful tenderer will repair or replace the same to the satisfaction of SIA within such time as may be specified by SIA. The successful tenderer shall bear all costs including freight charges, cost of testing, examining, replacing defective items without prejudice to any other claims SIA may have.

If the said item or any part thereof remains unsatisfactory to SIA after such repair or replacement or if the tenderer fails to repair or replace within the stipulated time, SIA may purchase the same from other sources or to make good any damage or defect in any manner it deems fit and all costs thereby incurred will be reimbursed to SIA by the successful tenderer by deduction from any money due or to become due to the successful tenderer.

The successful tenderer will remain liable under the above provisions notwithstanding the signing by SIA of any certificate or any payment made or the release of the security deposit by SIA.

24. INTELLECTUAL PROPERTY RIGHTS

The tenderer fully covenants that all items supplied to SIA do not alone or in any combination infringe any intellectual property right including patent, trade mark or copyright and the tenderer will indemnify SIA from all damages, costs, and expenses arising from any suit, claim or demand for actual or alleged infringement of any or other rights. The tenderer will at the request of SIA, defend at their own cost any or all such suit or proceedings.

If any proceeding is instituted for an alleged infringement of intellectual property rights, SIA may immediately terminate the agreement for all items yet to be accepted by SIA at SIA's premises and purchase all such items from elsewhere without prejudice to all or any of SIA's rights in this tender.

25. CONFIDENTIAL INFORMATION

The successful tenderer, his assigns, agents and employees shall hold in confidence any and all information disclosed to them by SIA, including technical information included in or on tracings, drawings, field notes, calculations, the specifications and engineering data. Such information shall not be disclosed to any person or persons except for the purpose of execution of the work and shall at all times remain the property of SIA and shall be returned to SIA upon completion of the work. The successful tenderer's obligation hereunder shall survive any termination of the Agreement entered into.

SIA may, without the successful tenderer's permission, photograph, publish, demonstrate or advertise by any media, SIA's possession of the goods as SIA may deem advantageous to SIA's business, including but not limiting to, reference to the goods by another name.

26 INJURY TO PERSONS

The successful tenderer will release and indemnify SIA, its servants and agents in respect of any liability, loss, claim or proceedings whatsoever, whether arising at common law or by statute in respect of personal injuries to or death of any person whomsoever arising out of or in the course of or caused by the execution of the work.

27. INSURANCE

The successful tenderer without prejudice to the overall indemnity granted under Clauses 26 and 28 shall forthwith and as a condition precedent to the commencement of any work under an Agreement to be entered into, obtained at its own expense from insurance companies registered in Singapore the following insurance policies for the duration of the contract acceptable to SIA in the joint names of SIA and its subsidiaries and the successful tenderer as assured covering their separate risks:-

- .1 A Public Liability Insurance Policy for a minimum amount of Two Million Singapore Dollars (S\$2,000,000.00) for any one accident unlimited during the contract period. The policy shall contain a cross liability clause including a waiver of the insurer's right of subrogation's in favour of SIA and its subsidiaries as follows:-

Each of the parties comprising the Insured shall for the purpose of this section be considered as a separate and distinct unit and the words "the Insured" shall be considered as applying to each party in the same manner as if a separate policy had been issued to each of the said parties and the Insurers hereby agree to waive all rights of subrogation or action which they may have or acquire against any of the aforesaid parties arising out of any accident in respect of which any claim is made hereunder provided nevertheless that nothing in this clause shall be deemed to increase the Limits of Liability in respect of any one occurrence or series of occurrences as stated in the Schedule.

- a) The full value of work executed by the successful tenderer from time to time; and
 - b) The full value of all materials, equipment and other things brought on to the site by the successful tenderer.
- 3 A Transit All Risks Insurance Policy covering loss or damage to materials, equipment and other things which are transported from the premises of the successful tenderer or other suppliers or from SIA's premises in Changi Airport to the site.
- 4 Workmen's Compensation and Employers' Liability Insurance Policies indemnifying SIA and the successful tenderer against:-
- a) All liabilities arising out of claims by any and every workman or employee in and for the performance of this work;
 - b) All liabilities for payment of compensation under common law and/or statute;
 - c) All liabilities for payment of all costs and expenses incidental or consequential thereto; and
- 5 The above-mentioned policies shall contain Endorsements A and B as follows:-

ENDORSEMENT A

If any workmen employed by the insured or by the Insured's Contractors as referred to in Endorsement B herein or any dependant of such workman brings or makes a claim under the Workmen's Compensation Legislation in force in Singapore against SIA, its subsidiaries and associated companies (SIA) or any of his agents or employees for personal injury or disease sustained whilst at work on any contract covered by the terms and conditions of the within policy which the Insured may be carrying out for SIA, the Company will indemnify SIA, its agents and employees against such claim, and any costs, charges and expenses in respect thereof. Provided always that the Company may have the sole conduct and control of all proceedings connected with claims covered by this endorsement. Nothing in the endorsement shall be construed as affecting the Insured's right to recover damages in any other way under the said legislation.

ENDORSEMENT B

The indemnity herein granted is intended to cover the legal liability of the Insured to workmen in the employment of Contractors, performing work for the Insured while engaged in the business and occupation in respect of which the within policy is granted but only so far as regards claims under the Workmen's Compensation Legislation or Common Law in force in Singapore. The said insurances shall be maintained during the currency of this work and upon demand from SIA, the successful tenderer shall produce to SIA the last receipt for premiums due under the insurances referred to above.

Documentary evidence of the above insurances having been effected by the successful tenderer shall be submitted to SIA Insurance Manager, Core 6-A, 25 Airline House, Airline Road, Singapore 819829, seven (7) working days prior to the commencement of any work referred to above.

The policies of insurance shall cover the full period of the contract. The Contractor shall provide policies of insurance to SIA upon yearly renewal to cover the full contract period.

(Successful tenderer wishing to know how the insurance should be established may contact SIA Insurance Manager.)

28. DAMAGE TO PROPERTY

The successful tenderer is liable for and will indemnify SIA, its servants and agents in respect of any liability, loss, claim or proceeding and for any injury to damage whatsoever arising out of or in the course of or by reason of the execution of the services rendered to any property, real or personal, due to any negligence, omission or default of itself, its agents or its servants or of any authorised sub-contractor or to any circumstances within its control.

29. LOCAL REPRESENTATIVE

Overseas tenderers must state the name and address of their local representative.

30. COLOUR SCHEME

The tenderer shall discuss with and obtain the approval of the SIA contact person named in this document to establish the proper colour scheme for equipment under this tender.

31. TENDER PRICE

SIA will not negotiate on price once a tender has been submitted. The final bid price will be treated as the last price the tenderer is prepared to offer.

Notwithstanding the above, if a change in specifications occurs after a tender has been called and such change may have an effect on price, SIA may under such circumstances negotiate the price.

32. CONDITION FOR OPERATIONS IN THE DESIGNATED AREAS

The equipment to be supplied must comply with the Civil Aviation Authority of Singapore regulations for equipment in the Apron and Hangar areas.

33. EMPLOYMENT OF FOREIGN WORKERS

- .1 The successful tenderer must ensure and undertake that no illegal foreign workers are employed in the execution of the services rendered. "Illegal foreign worker" means a foreign worker who has not lawfully entered or remained in Singapore in contravention of the Immigration Act (Chapter 133, 1995 edition) or is employed by any employer without a valid work permit, in contravention of the Employment of Foreign Workers Act (Chapter 91A, 1991 edition).
 - .2 If any illegal foreign workers are found to be so employed by the successful tenderer, SIA shall, without prejudice to its right, be entitled to withhold any payment due to the Contractor for a period of two (2) months and SIA shall not be liable for any loss or damage suffered by the successful tenderer as a result of any payment so withheld.
 - .3 The successful tenderer shall indemnify SIA against any costs and/or expenses, including legal expenses, which SIA may incur as a result of the Contractor's employment of illegal foreign workers. SIA may also reserve the right to impose such other measures, including but not limited to, debarring the Contractor.
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34. MEDIATION

Any dispute, controversy, or difference will be referred to the Singapore Mediation Centre within 14 days from the time it arises, in accordance with the Mediation Procedure for the time being in force, unless any part serves a written notice ("the Notice") on the other part and the Singapore Mediation Centre stating that it will not submit the matter to mediation, or that it will submit the dispute or arbitration or litigation. The parties will participate in mediation in good faith and will abide by the terms of any settlement reached.

The right to have disputes, controversies, or differences arbitrated or litigated will arise only after a party serves the Notice on the other party and the Singapore Mediation Centre.

35. INTERESTED PARTY TRANSECTION

The tenderer shall sign the declaration form and submit together with the tender submission.

36. APPLICABLE LAWS AND JURISDICTION

The business relationship emerging from the contract shall be governed by and interpreted in accordance with the laws of the Republic of Singapore, and the parties hereto hereby submit to the non-exclusive jurisdiction of the courts of the Republic of Singapore.
