

CONDITIONS OF CONTRACT

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1. Definitions and Interpretation

1.1 In these Conditions, unless expressly agreed or the context otherwise requires:

- (1) “**CAG**” means Changi Airport Group (Singapore) Pte Ltd.
- (2) “**Contract**” means the agreement between CAG and the Supplier pursuant to the Tender, as evidenced by the Tender, the Letter of Acceptance, the Purchase Order (if any) issued by the CAG to the Contractor and other documents in any form incorporated in or referred to in the same.
- (3) “**Contractor**” means the Tenderer to whom CAG has issued the Letter of Acceptance pursuant to the Tender.
- (4) “**Force Majeure**” means any circumstances which the Party affected by such circumstances could not reasonably have avoided, prevented, mitigated or delayed, including acts of God, riots and civil commotions, strikes and lock-outs.
- (5) “**Goods**” means all or any or any part of the goods which the Contractor is required to supply under the Contract, which goods shall be new and unused by any person other than CAG at the time of such supply.
- (6) “**Parties**” means CAG and the Contractor, and “**Party**” means either of them.
- (7) “**Person**” means a legal entity and includes a corporation or an unincorporated association.
- (8) “**Services**” means all or any of the services to be provided by the Contractor to CAG under the Contract.
- (9) “**Supplier Portal**” means the electronic system operated or nominated by CAG from time to time for procurement of goods and/or services by CAG through electronic means, such as through the internet web site located at http://www.changiairportgroup.com/cag/html/business-partners/procurement_notices/ or at such other web address as may be notified by CAG from time to time.
- (10) “**Tender**” means the offer made by the Tenderer to supply the Goods or the Services, as the case may be, including the Instructions to Tenderers, the Tender, these Conditions of Contract and the other documents incorporated in or referred to in the same.
- (11) “**Tenderer**” means the person who submits the Tender.

- 1.2 Unless expressly agreed otherwise between CAG and the Contractor:
- (1) the terms of the Contract shall prevail in the event of any contradiction or inconsistency between any provision of these Conditions and the provisions of any other part of the Contract; and
 - (2) the terms of these Conditions shall prevail in the event of any contradiction or inconsistency between any provision of these Conditions and any provision of the terms and conditions of use of the Supplier Portal (if applicable).
- 1.3 Where the Contract is made between CAG and more than one other Person, the obligations of such Persons shall be joint and several.
- 1.4 The headings are for convenience only and not for the purpose of interpretation.

2. Scope of Contract

- 2.1 The Contractor shall observe and perform its obligations under the Contract in accordance with the provisions of the Contract.
- 2.2 Within thirty (30) days after receipt of any request from CAG to vary the Specifications, the Contractor shall evaluate the requested variation and submit its written proposal to CAG on the effect, if any, of such variation on the price, time and provision of the Goods or the Services, as the case may be. If CAG decides to accept the Contractor's proposal, the Parties shall execute a variation to the Contract in accordance with Clause 15.

3. Delivery

- 3.1 The Contractor shall deliver the Goods and provide the Services within the time or times stipulated under the Contract and in the manner specified in the Contract.
- 3.2 **For the avoidance of doubt, it is further agreed and declared between the Parties that unless expressly agreed otherwise:**
- (1) the Contractor may not deliver any Goods or provide any Services which constitutes variable supply under the Contract unless and until CAG expressly requires such variable supply; and
 - (2) the Contractor shall not be entitled to any payment for any Goods or Services delivered or provided which exceed the value stipulated in the Contract unless and until the Contractor shall obtain from CAG a variation order for such excess value.

4. Removal and Replacement

The Contractor shall at its own cost and when notified in writing by CAG:

- (1) remove and replace any Goods found by CAG on delivery to be damaged, defective, deficient or in any way not fit for use or purpose or inferior to approved samples or otherwise not in accordance with the Contract; or
- (2) cease and perform again any Services found by CAG on performance to be insufficient or in any way not in accordance with the Contract

as the case may be, failing which CAG shall have the right to procure replacements of such Goods or Services or to make good any damage in any manner CAG deems necessary and all costs, expenses and losses thereby incurred or suffered by CAG shall be recoverable from the Contractor by deduction from any money due to the Contractor or any security provided by the Contractor under the Contract or in any other permitted by law.

5. Financial provisions

5.1 In consideration of the Contractor's observance and performance of its obligations under the Contract, CAG will make the payments stipulated in the Contract and within 45 days after each payment milestone (or after delivery of each consignment of Goods where the Goods shall be delivered by consignment in accordance with the Contract) **Provided that:**

- (1) the Contractor shall first provide to CAG all documentary evidence as may be required by CAG from time to time, including a copy of CAG's Service Request(s) (if any), the Contractor's invoice and CAG's acknowledgment of receipt of the Goods or the Services, as the case may be; and
- (2) no payment by CAG shall be considered as evidence of the satisfactory performance by the Contractor of its obligations under the Contract to deliver the Goods or the Services.

5.2 Without prejudice to CAG's rights under the Contract or at law, any sum due from the Contractor to CAG under the Contract may be deducted by CAG from any monies payable by CAG to the Contractor pursuant to this Contract or any other contract made between CAG and the Contractor.

5.3 The Contractor shall submit its invoices to CAG at the following address or at such other address as may be notified in writing by CAG by public notification or directly to the Contractor:

Changi Airport Group (Singapore) Pte Ltd
Finance Division (Expenditure)
Singapore Changi Airport
P.O. Box 168
Singapore 918146.

- 5.4 CAG may at any time and from time to time require the Contractor to provide security for a sum and of a form required by CAG for the Contractor's due and proper performance of its obligations under the Contract.

6. Rights of Third Parties

A person who is not a party to the Contract shall have no right under the Contracts (Rights of Third Parties) Act to enforce any of its terms.

7. Gifts, Inducements and Rewards

The Contractor shall not and shall ensure that its employees, agents and contractors shall not offer or give or agree to give to any person any gift or consideration of any kind to CAG, its employees, agents and contractors as an inducement or reward for doing to forbearing to do or for having done or forborne to do any action in relation to the Contract, including any act which may constitute an offence under Chapter IX of the Penal Code or Prevention of Corruption Act or any other law or the abetment of or attempt to commit such offence. In the event of any such breach by the Contractor of this provision, the Contractor shall fully indemnify CAG against all claims, demands, proceedings, losses, damages, costs (including solicitor and client costs) and expenses made against or suffered or incurred by CAG arising from or related to such breach.

8. Failure to Provide in accordance with Contract

If the Contractor fails to provide any Goods or Services, as the case may be, in accordance with the Contract, CAG may choose:

- (1) without charge by or compensation to the Contractor and without prejudice to CAG's rights under Clause 11.3, to obtain the same or comparable goods or services, as the case may be, from other persons in replacement of the Goods or Services, as the case may be, not provided by the Contractor in accordance with the Contract, in which case all costs and expenses incurred by CAG in excess of the sum which would otherwise be payable to the Contractor for the Goods or Services, as the case may be, not provided in accordance with the Contract shall be payable as damages by the Contractor to CAG from all sums due or to become due to the Contractor or under the Contract or other contracts made between CAG and the Contractor; or

- (2) require the Contractor to pay and deduct from any moneys due or to become due to the Contractor under the Contract or other contracts made between CAG and the Contractor, a sum calculated at the rate specified by CAG from time to time, as liquidated damages for the period when the Contractor shall not provide the Goods or the Services in accordance with the Contract

Provided that the recovery of such excess costs aforesaid or liquidated damages shall be made within 3 months after the expiry or termination of the Contract.

Paragraph (2) of this Clause 8 shall not apply where the Contract is for the supply of Goods or Services valued by CAG as not exceeding Singapore Dollars Two Hundred Thousand (S\$200,000.00) in aggregate.

9. Sub-Contracting and Assigning

The Contractor shall not sub-contract or assign the Contract without the written consent of CAG.

10. Applicable Law

The Contract shall be subject to, governed by and interpreted in accordance with the Laws of the Republic of Singapore for every purpose.

11. Termination

11.1 If:

- (1) the Contractor shall fail and continue to fail to perform or observe any of its obligations under the Contract despite having been given reasonable notice by CAG of such failure and reasonable time (which shall not be more than thirty (30) days after such notice) and opportunity to remedy such failure; or
- (2) the Contractor becomes insolvent or if any order is made or a resolution is passed for the winding up of the Contractor (other than voluntarily for the purpose of solvent amalgamation or re-construction), or if an administrator, administrative receiver or receiver is appointed in respect of the whole or any part of the Contractor's assets or business, or if the Contractor makes any composition with its creditors or takes or suffers any similar action

CAG may terminate the Contract immediately by notice to the Contractor.

- 11.2 Without prejudice to CAG's rights under Clause 11.1, if the Tender shall permit CAG to terminate the Contract by giving to the Contractor prior notice notwithstanding the absence of any failure on the part of the Contractor to perform its obligations under

the Contract, CAG may terminate the Contract by giving such notice without being obliged to give any reason for such termination.

11.3 Upon any termination of the Contract:

- (1) under Clause 11.1 or 11.2 the Contractor shall be entitled to receive the Contract Sum pro-rated to the effective date of termination less any sum due to CAG in respect of antecedent breaches, if any, by the Contractor and the Contract shall thereupon become null and void and the Contractor shall not be entitled to any further compensation or remuneration or any indirect or consequential losses; or
- (2) under Clause 11.1, CAG shall be entitled to obtain the same or comparable goods or services, as the case may be, from other persons in replacement of the Goods or Services, as the case may be, not provided by the Contractor in accordance with the Contract, in which case all costs and expenses incurred by CAG in excess of the sum which would otherwise be payable to the Contractor for the Goods or Services, as the case may be, not provided in accordance with the Contract shall be payable as damages by the Contractor to CAG from all sums due or to become due to the Contractor or under the Contract or other contracts made between CAG and the Contractor

and in any such case, the Contractor shall immediately deliver up to CAG all the documents, information and any other thing earlier provided by CAG to the Contractor for the purposes of the Contract, except where expressly agreed otherwise between the Parties.

11.4 Any termination of the Contract, for whatever reason, shall not prejudice or affect the accrued rights or claims and liabilities of either Party.

12. Warranty

12.1 If the Contract shall require the Contractor to provide any warranty as to the Goods or the Services, as the case may be, the period of such warranty (“**Warranty Period**”) shall be for the period of twelve (12) months from the date of CAG’s receipt of the relevant Goods or for such other period as may be agreed in writing between the Parties.

12.2 If during the Warranty Period, any Goods is found to be:

- (1) defective or deficient in design, materials or workmanship;
- (2) not in accordance with the Contract; or
- (3) having been installed, operated, stored and maintained in accordance with the written instructions of the Contractor, fails to function properly or fails to meet

any performance guarantees set forth in the Contract or specifications published by the Contractor as applicable to the Goods;

then unless it is shown that the foregoing is caused solely by improper use or mishandling by CAG notwithstanding the Contractor's earlier directions to CAG to the contrary, the Contractor shall, at its own expense (including transportation costs), at the written notification of CAG, replace, rectify or completely repair the same, within such period as may be specified by CAG from time to time, which period shall commence from the receipt by the Contractor of the damaged or defective Goods and end upon the receipt of the replaced, rectified or repaired Goods by CAG. The Contractor may, in lieu thereof, elect to replace the damaged or defective Goods. Any replacement goods shall be subject to the same acceptance tests as the Goods it replaces and any repaired goods shall be subject to such parts of the said acceptance tests as are necessary to ascertain that the repaired Goods is acceptable. The Warranty Period for the replacement or repaired goods shall be extended by a period equivalent to the period commencing from the date of the said notification to the date of acceptance of the repaired/replaced goods by CAG in Singapore. In the event that the Warranty Period (after such extension) outstanding at the date of such acceptance is less than one (1) month, the Warranty Period shall be extended by a further period of one (1) month.

- 12.3 If any Service provided under the Contract is found during the Warranty Period to be deficient, the Contractor shall at the written notification of CAG, re-perform the same, at the expense of the Contractor within such period as may be specified by CAG from time to time, which shall commence from the said notification and end upon the completion of the re-performed service. The Warranty Period for the re-performed Service shall be extended by a period equivalent to the period commencing from the date of the said notification to the date of completion of the re-performed service. In the event that the Warranty Period (after such extension) outstanding at the date of such completion is less than one (1) month, the Warranty Period shall be extended by a further period of one (1) month.

13. Title and Risk

- 13.1 Title to the Goods provided under the Contract shall pass from the Contractor to CAG upon successful completion of the Acceptance Test (if any) specified under the Contract or upon delivery if there is no Acceptance Test, whichever is earlier. The risk of loss or damage to the Documentation (if any) specified under the Contract shall pass upon delivery of the Goods. However, the risk of loss or damage to the Goods shall only pass from the Contractor to CAG's acknowledgement of receipt of the Goods.
- 13.2 Notwithstanding Clause 13.1, the risk of loss or damage to the Goods shall be borne by the Contractor from the time the Goods are redelivered by CAG to the Contractor for the purpose of modification, replacement, repair or rectification until the Goods are so modified, replaced or rectified and delivered again to CAG.

- 13.3 Title to equipment and all other property at any time furnished by CAG to the Contractor for the performance of this Contract shall at all times remain with CAG.
- 13.4 Risk of loss or damage to the equipment and all other property at any time furnished by CAG to the Contractor shall vest in the Contractor from the moment the Contractor takes delivery of the equipment or such other property until such time as the equipment or such other property is delivered to CAG.

14. Force Majeure

- 14.1 If either Party shall be prevented by any Force Majeure from performing or observing its obligations under the Contract, and shall have:
- (1) immediately notified the other Party of the Force Majeure and identified the Force Majeure; and
 - (2) made every effort to remove, remedy or mitigate the cause or effect of the Force Majeure

such Party shall be released from such performance or observance to the extent that such performance or observance shall be prevented by the Force Majeure. Such Party shall perform and observe its other obligations under the Contract insofar as they shall not be affected by the Force Majeure.

- 14.2 CAG may require the Contractor to fulfil its other obligations referred to in Clause 14.1 immediately upon the cessation of the Force Majeure regardless of whether or not the Force Majeure shall cease during or after the period of the Contract or for further period reserved by CAG under any option provided in the Contract subject to earlier termination in accordance with the Contract.
- 14.2 If the Force Majeure shall continue for a period longer than one (1) month, either Party may terminate the Contract by notice to the other Party.

15. Variation of Contract

The provisions of the Contract may not be varied unless such variation shall have first been expressly accepted in writing by the Contractor and the authorised officer of CAG.

16. Intellectual Property Rights

- 16.1 The Contractor warrants that the Goods and the Services, as the case may be, do not infringe any copyrights, and all rights in relation to inventions, registered and unregistered trademarks (including service marks), registered and unregistered

designs, circuit layouts, knowhow and any other rights resulting from intellectual activity in the industrial, scientific, literary and artistic fields and the Contractor undertakes to indemnify CAG and its employees against all claims, demands, proceedings, losses, damages, costs (including solicitor and client costs) and expenses made against or suffered or incurred by CAG arising from or related to such infringement.

- 16.2 It is agreed and declared between the Parties that the Contract is not intended and should not be taken as transferring the intellectual property of CAG in to the Contractor or to any other person.

17. Taxes, Fees and Duties

- 17.1 The Contractor shall be responsible for all corporate and personal income taxes, customs fees, duties, fines, levies, assessments and other taxes payable under the laws of Singapore, by the Contractor or its employees, agents and contractors, including the Contractor's resident engineers and inspectors (if applicable), in carrying out its obligation under the Contract.
- 17.2 If CAG receives a request from the tax authorities or shall be required to pay on behalf of the Contractor and/or the Contractor's employees, agents or contractors or to withhold payments from the Contractor in order that CAG may subsequently so pay, any of the abovementioned taxes, fees, duties, fines, levies and assessments, the Contractor hereby authorises CAG to comply with the terms of the said request or to deduct such payment from any sum due from the Contractor to CAG.
- 17.3 CAG shall pay to the Contractor a sum equal to the Goods and Services Tax chargeable on the supply to CAG of the Goods or the Services, as the case may be, by the Contractor in accordance with the Contract. For clarification, "Goods and Services Tax" shall refer to tax under the (Singapore) Goods and Services Tax Act, Cap. 117A (2000 Ed.).
- 17.4 Any invoice or other request for payment of monies due to the Contractor under the Contract shall, if he is a taxable person for the purpose of the Singapore Goods and Services Tax, be in the same form and contain the same information as if it were a tax invoice for the purposes of the Regulations made under the *Goods and Services Tax Act*, Cap. 117A.

18. Government Regulations

The Contractor shall, at its own costs, obtain and maintain all licence and authorisations, including export licences and permits and other governmental authorisations or certification required without any restrictions or qualifications whatsoever so as to enable the Contractor to fulfil all its obligations under the Contract.

19. Notices

Unless notified otherwise, all communications and notices by either Party to the other Party shall be deemed to have been properly served:

- (1) if delivered by hand or registered post to such other Party at its address stated in the Tender or to any other address notified by such other Party to the notifying Party before such communication or notice; or
- (2) if the Contract shall be made through the Supplier Portal, if delivered in accordance with the notice provisions of the terms and conditions of use of the Supplier Portal.