CONDITIONS OF CONTRACT

1. DEFINITIONS

1.1 In these Conditions of Contract, unless the context otherwise requires, the following definitions shall apply:

(a) "**Contract**" means:

(i) the Invitation Notice, Covering Letter, Instructions to Contractors, Conditions of Contract and Requirement Specifications that are part of the Invitation to Quote;

(ii) the Quotation (to the extent accepted by SAM in the Letter of Acceptance);

(iii) the Letter of Acceptance; and

(iv) any other documents accepted in the Letter of Acceptance as being part of the Contract.

(b) "**Contract Price**" means the total amount payable to the Contractor for the supply of the Goods under this Contract. Unless otherwise agreed in writing, the Contract Price shall be deemed to be the amount stated in the Quotation. Provided that if this Contract is a period contract where Goods may be ordered from time to time pursuant to Purchase Orders, the Contract Price shall be treated on a Purchase Order basis and shall be deemed to be the Purchase Order Price payable for the Goods specifically ordered under each Purchase Order.

(d) "**Contractor**" means the successful Contractor which has been awarded this Contract by SAM.

(e) "**Deliverables**" means the proposals, plans, reports, drawings, designs, documents, samples and other items that the Contractor has to provide under this Contract apart from the Goods.

(f) "**Goods**" means all goods, including parts or units thereof, which the Contractor is required to supply under this Contract.

(g) "**SAM**" means Singapore Art Museum.

(h) "**Party**" means either SAM or the Contractor and '**Parties**" means both SAM and the Contractor.

1.2 Words denoting the singular include the plural and vice versa.

1.3 Words denoting one gender includes both genders.

1.4 Words denoting natural persons include corporations, firms and unincorporated associations and vice versa.

1.5 References to statutory provisions include a reference to any amendment, consolidation, or re-enactment, whether by the same name or otherwise, for the time being in force.

1.6 The headings are for convenience only and not for the purpose of interpretation.

2. SCOPE OF CONTRACT AND CONTRACT PERIOD

2.1 The Contractor shall complete the supply of all items of Goods in accordance with the terms of this Contract.

2.2 The Contractor shall be an independent contractor and shall not be an agent, partner or employee of SAM. For the avoidance of doubt, the Contractor is not authorised to enter into any contracts on behalf of SAM.

2.3 This Contract:

(a) shall come into force and commence on the date the Contractor received the Letter of Acceptance; provided that the Goods may be required from or on other dates as may otherwise be set out in the Requirement Specifications or in the Letter of Acceptance; and

(b) shall, unless terminated, expire after the complete supply of all items of Goods required (including any maintenance or warranty period) or at the end of any contract period expressly stated in this Contract.

(c) may be extended by SAM. The Contractor grants SAM the option, at SAM’s sole discretion, to extend the contract period for one or more additional periods not exceeding a total of 2 years. The option to extend shall be exercised by written notice. Unless otherwise agreed in writing, the option to extend must be exercised at least 2 months before the expiry of the current contract period.

2.4 The Contractor shall do all things which are necessary or reasonably to be inferred from the Contract even if not specifically set out in the Contract.

2.5 The Contractor acknowledges that it is fully aware and anticipates that some details of the Requirement Specifications may have to be clarified during the performance of this Contract. In this context:

(a) SAM reserves the right to issue written clarifications on the Requirement Specifications to set out SAM's requirements more

precisely and such written clarifications shall be deemed to be part of this Contract. These clarifications shall include the need to delay the delivery dates of some or all of the Goods.

(b) the Contractor confirms that this has been fully anticipated when the Quotation was submitted and has been taken into account in the Contract Price. For the avoidance of doubt, the Contractor shall have no claim to any compensation or damages regardless of the nature of the clarifications issued.

2A PERIOD CONTRACT, PURCHASE ORDERS & REQUEST FOR QUOTATIONS

Period Contract

2A.1 This Contract is a period contract for the supply of Goods as and when required by the SAM during the contract period specified in the Requirement Specifications.

2A.2 The Contractor accepts and acknowledges that:

(a) SAM is not obliged to purchase any minimum amount of Goods or any at all under this Contract; and

(b) the Contractor is not an exclusive supplier for the Goods and SAM may purchase the same or similar Goods from other sources.

Purchase Orders

2A.3 All orders for Goods shall be given from time to time by way of written Purchase Orders (in such form as may be determined by SAM in writing). All such Purchase Orders shall state the details of the Goods ordered.

2A.4 On receipt of any Purchase Order, the Contractor shall commence performance of the Contractor's obligations to provide Goods and complete the same on the terms of this Contract.

2A.5 Where the unit rates for all items of Goods required by SAM have:

(a) been fully set out in the Quotation or have otherwise been agreed in writing, the total amount payable for the satisfactory provision of the Goods ordered ("**Purchase Order Price**") shall be based on the said unit rates that have been set out in the Quotation or have been otherwise agreed in writing; or

(b) not been set out as stated in Sub-Clause 2A.5(a), the total amount payable for the satisfactory provision of the Goods ordered ("**Purchase Order Price**") shall be based on the unit rates to the extent that these that have been set out in the Quotation Offer or have been otherwise agreed in writing; as well as the prices as determined under Requests for Quotations.

2A.6 For the avoidance of doubt, Goods shall be provided in accordance with each Purchase Order and this Contract for all Purchase Orders issued within the contract period; regardless of whether the Goods are to be provided after the contract period.

Request for Quotations

2A.7 Where the unit rates for all items of Goods required by SAM are not fully set out in the Quotation and have not been otherwise agreed in writing, SAM shall be entitled to issue written Requests for Quotation (in such form as may be determined by SAM in writing) to establish the price payable for such Goods whose prices are not yet known.

2A.8 The Contractor shall respond in writing to such Requests for Quotation within 7 days of receipt. The prices quoted by the Contractor pursuant to Requests for Quotations shall remain valid for acceptance for a period of 45 days from the date of receipt of the Contractor's response.

2A.9 For the avoidance of doubt, the Contractor may quote only for items of Goods whose prices are not yet known and shall have no right to raise (but may lower) the unit rates of items of Goods that have been set out in the Quotation or have otherwise been agreed in writing.

2A.10 A Request for Quotation is not, and cannot, be construed as a promise or representation by SAM to issue any Purchase Order.

3. PERFORMANCE

3.1 The Contractor shall provide the Goods with all reasonable care, skill and diligence.

3.2 All Goods supplied under this Contract shall be new and unused or made of new and unused materials; unless there is agreement in writing to the contrary.

3.3 Time shall be of the essence in this Contract and the Contractor shall supply the Goods within any timelines/deadlines set out in this Contract or as otherwise agreed in writing between the Parties.

3.4 The Contractor shall work closely and collaboratively, at no extra charge, with such other contractors as SAM may appoint in relation to the exhibition, event, activity or project that this Contract relates to.

3.5 Upon the receipt of any Deliverables or Goods, such Deliverables or Goods shall be:

(a) accepted or rejected by SAM through a written notice in a form that may be prescribed by the SAM in writing; or

(b) deemed to have been accepted by SAM if no written notice to either accept or reject the same is issued within 14 days of receipt of the Deliverables or Goods concerned.

3.6 The Contractor shall at its own costs and without prejudice to the timelines/deadlines to be met under this Contract:

(a) re-perform or correct any deficiencies in the Deliverables that are rejected; and

(b) remove and replace Goods that are damaged, defective or in any way inferior to approved samples or is otherwise not in accordance with this Contract.

3.7 Where the Contract is awarded based on particular brand(s)/model(s) of Goods as set out in the Quotation or as provided as samples (during the ITQ process or under this Contract), the particular brand(s)/model(s) must be supplied. Provided that different brand(s)/model(s) may be accepted by SAM in writing to replace the particular brand(s)/model(s) if:

(a) the particular brand(s)/model(s) is discontinued by the manufacturer and written documentation of this is provided to SAM's satisfaction; and

(b) the replacement brand(s)/model(s) provide the same or better functionality and performance as the particular brand(s)/model(s).

4. PAYMENT

4.1 Payment shall be made in accordance with the payment schedule set out in **Annex A** unless otherwise agreed in writing.

4.2 Payments made to the Contractor shall not:

(a) be considered evidence of the quality of any Goods to which such payments relate.

(b) prejudice any of SAM's rights under this Contract to reject deficient Goods and the corresponding rights to obtain replacement of Goods either by the Contractor or otherwise.

4.3 The amount of any payment due from or debt owed by the Contractor to SAM under this Contract may be deducted by SAM from any monies payable by SAM to the Contractor under this Contract.

4.4 SAM shall not have to pay for any expenses or costs of whatever nature other than those expressly set out under this Contract.

4.5 Unless otherwise agreed in writing by SAM, payment shall be made by electronic bank transfer. The Contractor shall provide SAM with all bank account information reasonably required by SAM in order to effect such payment. Each Party shall bear their own bank charges.

5. RIGHTS OF THIRD PARTIES

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

6. GIFTS, INDUCEMENTS OR REWARDS

6.1 SAM may terminate this Contract and to recover from the Contractor the amount of any loss resulting from such termination, if the Contractor shall have offered or given or agreed to give to any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any action in relation to the obtaining or execution of this Contract with SAM or for showing or forbearing to show favour to any person in relation to any contract with SAM, or if the like acts shall have been done by any person employed by the Contractor or acting on his behalf (whether with or without the knowledge of the Contractor) or if in relation to any contract with SAM, the Contractor or any person employed by him or acting on his behalf shall have committed any offence under Chapter IX of the *Penal Code* or *Prevention of Corruption Act* or shall have abetted or attempted to commit such an offence or shall have given any fee or reward the receipt of which is an offence under Chapter IX of the *Penal Code* or the *Prevention of Corruption Act*.

7. DELAY IN PERFORMANCE

7.1 If there is delay in the supply of Goods due to any acts of God, force majeure, riots and civil commotion, strikes, lock-outs or other causes or perils beyond the Contractor's control, then in any such case the Contractor shall, for the duration of any such circumstances, be relieved of the obligation to supply the Goods thereby affected. Any part of the Goods that are not so affected shall continue to be performed in accordance with this Contract.

7.2 Subject to Sub-Clause 7.1, if the Contractor fails to complete the supply of Goods by the date(s) specified in this Contract, the SAM shall have the right:

a) to cancel all or any part of such Goods from this Contract without compensation to the Contractor and to obtain the same (including similar or equivalent goods in the case where the exact goods are not available) from other sources and all increased costs incurred shall be deducted from any moneys due or to become due to the Contractor or shall be recoverable as damages; or

b) to deduct any moneys due or to become due to the Contractor or require the Contractor to pay a sum calculated at the rate of 0.5% of the Contract Price for each day of delay (including Sundays and Public Holidays), as liquidated damages until the delayed Services or Goods are fully performed or supplied; up to a maximum amount of liquidated damages equivalent to 10% of the Contract Price.

7.3 For the avoidance of doubt, if SAM opts to impose liquidated damages under Sub-Clause 7.2(b) and regardless of whether the maximum amount of liquidated damages has been reached, SAM shall still be entitled to exercise:

(a) its rights under Sub-Clause 7.2(a); provided that the liquidated damages already imposed shall be offset against any increased costs recoverable under Sub-Clause 7.2 (a); and

(b) any rights to terminate this Contract; provided that the liquidated damages already imposed shall be offset against any increased costs recoverable under the clauses allowing for termination.

8. SUB-CONTRACTING AND ASSIGNING

8.1 The Contractor shall not sub-contract or assign the whole or any part of this Contract without the written consent of SAM. The Contractor shall be fully responsible for all acts or omissions of any sub-contractors or assignees and the acts or omissions of any such third parties shall be deemed to be the acts or omissions of the Contractor.

9. APPLICABLE LAW

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

10. DISPUTE RESOLUTION

10.1 The Parties submit to the non-exclusive jurisdiction of the Courts of Singapore.

10.2 In the event of any dispute, controversy or claim arising out of or relating to this Contract, no Party shall proceed to litigation unless the Parties have made reasonable efforts to resolve the same through mediation in accordance with the mediation rules of the Singapore Mediation Centre.

10.3 A Party that receives a notice for mediation from the other Party shall consent and participate in the mediation process in accordance with Sub-Clause 10.2.

10.4 For the avoidance of doubt, failure to comply with Sub-Clauses 10.2 or 10.3 shall be a breach of contract.

11. SUSPENSION OR TERMINATION

11.1 SAM shall, after giving 7 days written notice to the Contractor, have the right to suspend or terminate this Contract if SAM is affected by any state of war, act of god or other circumstances seriously disrupting public safety, peace or good order of the Republic of Singapore. Neither party shall be liable to the other by reason of such suspension or termination save that SAM shall pay the Contractor the price of the Goods or Services that have been performed and accepted by SAM. The Contractor shall refund the balance of any payments or deposits made after deducting any outstanding sums owing by SAM to the Contractor by reason of this Clause 11.

11.2 In addition to any other rights to terminate this Contract or any rights to cancel parts of the Services under this Contract, SAM shall have the unilateral right to terminate this Contract without assigning any reasons whatsoever by giving the Contractor 30 days' written notice. For the

avoidance of doubt, the Contractor shall not be entitled to any compensation or damages whatsoever in relation to such a termination. The Contractor shall only be entitled to payment for any Services provided and accepted up to the end of the 30 day notice period.

12. RIGHTS OF SAM IN THE EVENT OF DEFAULT BY THE CONTRACTOR

12.1 If any declaration or submission made by the Contractor in its Quotation is discovered to be false, SAM shall be entitled to rescind and terminate this Contract or cancel any part of the Goods by written notice without SAM being liable for any damages or compensation. The termination or cancellation shall take effect from the date of the written notice.

12.2 If the Contractor is in breach or defaults in his performance of this Contract, SAM may issue a written notice of breach or default to the Contractor. The Contractor shall, within 7 days of the date of the notice of breach or default, remedy the breach or default or otherwise propose a solution that is accepted by SAM in writing.

12.3 If the Contractor fails to remedy the default or otherwise propose an acceptable solution under Sub-Clause 12.2, the Contractor shall be taken to have repudiated the Contract and SAM shall have the right to terminate the Contract or cancel any part of the Goods by way of a written notice of termination or cancellation as the case may be. The termination or cancellation shall take effect from the date of the written notice and SAM shall not be liable to the Contractor for any damages or compensation.

12.4 SAM shall be entitled to terminate this Contract or cancel any part of the Goods by written notice without SAM being liable for any damages or compensation if:

(a) any proceedings are commenced for the liquidation, dissolution or bankruptcy of the Contractor and the same not discharged or discontinued within 14 days of its commencement, or if the other Contractor becomes bankrupt or goes into liquidation either voluntarily or compulsorily except for the bona fide purpose of amalgamation, merger or re-construction;

(b) the Contractor compounds with any of its creditors or has a receiver appointed in respect of the whole or any part of its assets;

(c) a writ of distress or execution or other process of any court is levied or issued against any property of the Contractor and is not withdrawn within 14 days of its commencement; or

(d) the Contractor ceases or threatens to cease to carry on business except for the bona fide purpose of amalgamation, merger or reconstruction.

The termination or cancellation shall take effect from the date of the written notice.

12.5 If there is any termination of this Contract or cancellation of Goods under this Clause 12, SAM shall have the right to purchase, from other sources, the Goods (including similar or equivalent goods and services in the case where the exact goods and services are not available) that have not yet been supplied at the time of termination or cancellation. All increased costs incurred by SAM in purchasing the Goods or similar or equivalent goods from other sources shall be deducted from any moneys due or to become due to the Contractor or shall be recoverable as damages.

13. VARIATION OF CONTRACT

13.1 No attempts to vary this Contract shall have any force unless made in writing and executed by the Contractor and the authorised contract signatory of SAM.

14. TAXES, FEES AND DUTIES

14.1 The Contractor shall be responsible for all corporate and personal income taxes, customs fees, duties, fines, levies, assessments and other taxes payable by the Contractor or its employees. If SAM receives a request from the tax authorities to pay on behalf of the Contractor and/or the Contractor's employees, or to withhold payments from the Contractor in order that SAM may subsequently so pay, any of the said taxes, fees, duties, fines, levies and assessments, the Contractor authorises SAM to comply with the terms of the said request.

14.2 If the Contractor is a taxable person under the Singapore *Goods and Services Tax Act*, SAM shall pay to the Contractor the Goods and Services Tax chargeable on the supply of Goods to SAM.

14.3 The Contractor shall submit a copy of the Certification of Registration for Goods and Service Tax if requested to do so by SAM in writing.

15. GOVERNMENT REGULATIONS

15.1 The Contractor shall, at its own costs, obtain and maintain all licences, permits, authorizations or certifications required without any restrictions or qualifications whatsoever so as to enable the Contractor to fulfil all its obligations under the Contract.

16. INDEMNIFICATION

16.1 In the event of SAM being held liable for damages arising out of any claim by any agent, workman or employee of the Contractor or any sub-contractors or suppliers of the Contractor, pursuant to the performance of this Contract, the Contractor shall indemnify SAM against such claim and any related costs, charges and expenses incurred by SAM.

Provided that the same is not caused by the gross negligence or willful default of SAM.

17 CONSORTIUM

17.1 As used in this Contract, "**Consortium**" means an unincorporated joint venture through the medium of a consortium or a partnership.

Joint and Several Responsibility

17.2 Each member of the Consortium shall be jointly and severally responsible to SAM for the due performance of this Contract.

Addition of members to Consortium

17.3 Any proposed changes to Consortium membership must be approved in writing by SAM.

17.4 Should additional member(s) be added to the Consortium at any time with the written approval of SAM, he or they shall be deemed to be included in the expression 'the Contractor'.

Withdrawal from Consortium

17.5 If any member of the Consortium withdraws from the Consortium, goes into liquidation, is wound up or ceases to exist in accordance with the laws of the country of incorporation:

(i) this Contract shall continue and not be dissolved, and

(ii) the remaining member(s) of the Consortium shall be obliged to carry out and complete the Services.

18. CONTRACTOR'S PERSONNEL

18.1 The Contractor shall replace its personnel (inclusive of the personnel of any sub-contractors or agents) within 5 days from the date of written notice from SAM that the said personnel is either:

(a) technically incompetent in carrying out the work to be done in order to supply the Goods; or

(b) behaving in a manner that is found to be unacceptable and which affects the proper supply of the Goods.

What amounts to technical incompetence or unacceptable behavior for the purposes of this Sub-Clause 18.1 shall be determined at the sole discretion of SAM.

18.2 The Contractor shall ensure that:

(a) there is compliance by the Contractor and its employees, subcontractors and agents with all the rules and regulations of SAM's buildings and premises or the buildings and premises belonging to third parties where Goods have to be delivered (collectively "**the Sites**");

(b) the delivery of Goods at the Sites do not cause any disruption or interference to the normal business or activities carried out by SAM or third parties (as the case may be) at the Sites; and

(c) there is compliance by the Contractor and its employees, subcontractors and agents with all reasonable directions or instructions of SAM or third party supervisors or managers at the Sites.

18.3 If the Contractor's Quotation states that Services or parts of Services are to be performed by specific personnel, such Services must be performed by the personnel concerned; and such personnel must not be replaced unless the written consent of the SAM is given. The Contractor shall ensure that any replacement personnel have comparable skills and experience as the personnel being replaced such that there is no adverse affect on the progress or quality of the Services.

19 INTELLECTUAL PROPERTY

19.1 The Contractor shall indemnify SAM against any action, claim, damages, charges and costs arising from or incurred by SAM due to any infringement or alleged infringement of patents, design, copyright or any other IP rights in relation to the use of the Goods supplied under this Contract.

20. CONFIDENTIALITY

20.1 Except with the written consent of SAM, the Contractor shall not disclose this Contract or any of its provisions, or any purchases made under this Contract or any information issued or furnished by or on behalf of SAM in connection with this Contract to any person.

20.2 In addition, the Contractor shall not make use of any information obtained directly or indirectly from SAM or compiled or generated by the Contractor in the course of this Contract which pertains to or is derived from such information, other than use for the purposes of this Contract, without the prior written consent of SAM.

20.3 The Contractor shall not publish or release, nor shall it allow or suffer the publication or release of, any news item, article, publication, advertisement, prepared speech or any other information or material pertaining to any part of the obligations to be performed under the Contract in any media without the prior written consent of SAM. For the avoidance of doubt, this restriction includes any citation that SAM is or was a customer of the Contractor.

21 SAM'S REPRESENTATIVE

21.1 SAM shall appoint one or more persons to supervise and liaise with the Contractor for the purposes of this Contract. The Representative(s) shall be as named in the Requirement Specifications or otherwise through written notifications.

21.2 All instructions, directions, notices, consents, approvals or waivers that may be given at SAM's discretion under this Contract shall not be binding on SAM unless given in writing or under the hand of the Representative(s).

21.3 For the avoidance of doubt, the Representative(s) cannot vary this Contract unless the Representative(s) concerned are also authorized contract signatories as required under Clause 13.

22 PROJECT MANAGEMENT

22.1 Project Office

(a) If the Contractor does not already have a Project Office in Singapore, the Contractor shall, if required to do so under the Requirement Specifications or otherwise in writing by SAM, establish a Project Office in Singapore at its own expense. The Project Office is to coordinate the performance of this Contract and serve as the common service location for the SAM to contact for the provision of all the Goods.

(b) If required under the Requirement Specifications or otherwise agreed in writing by the SAM, more than one Project Office shall be set up.

22.2 Project Manager

(a) The Contractor shall designate a Project Manager and the Project Manager shall be primarily responsible for directing and coordinating all the Contractor's obligations under this Contract. The Project Manager shall be deemed to be the Contractor's agent in all dealings with SAM and all actions of the Project Manager shall be binding on the Contractor.

(b) The Representative(s) shall have direct access to the Project Manager at all times during the performance of this Contract and if the Project Manager is absent from Singapore for any duration, the Contractor shall designate another employee to perform his duties and functions.

(c) If required under the Requirement Specifications or otherwise agreed in writing by SAM, more than one Project Manager shall be designated.

22.3 Implementation Plan

Unless otherwise agreed by SAM in writing:

(a) within 7 days from the date of the Letter of Acceptance (or each

Purchase Order if this is a period contract), the Contractor shall produce a Final Implementation Plan showing the time schedule and sequence of events necessary for the provision of the Goods.

(b) the Final Implementation Plan shall be not be acceptable unless it meets the timelines and/or stipulated completion dates set out in the Requirement Specifications (and the Purchase Order concerned if this is a period contract).

22.4 Progress Reports & Meetings

(a) The Representative(s) shall have the right to regular written reports on progress and status of the delivery of the Goods in a format approved in writing by the Representative(s). The Representative(s) may, at the Representative's sole discretion, request for such reports in monthly, fortnightly or weekly intervals; and may change the intervals from time to time. The submission and receipt of these reports shall not in any way prejudice the rights of SAM to make any claims against the Contractor if the terms of this Contract are not met.

(b) The Representative(s) shall have the right to call for progress meetings from time to time and/or on a regular weekly or other intervals as determined by the Representative(s). During such meetings, the Project Manager shall attend and report to the Representative(s) on the delivery of the Goods. The progress meetings shall be held at venues chosen by the Representative(s).

(c) The Contractor shall notify the Representative(s) of any expected delay in the performance of this Contract. The Consultant shall refer immediately to the Representative(s) any matter likely to impede the provision of the Goods; provided that such notices shall not excuse the Contractor from meeting its obligations under this Contract.

23 CUMULATIVE REMEDIES

23.1 The provisions of this Contract, and each of the rights and remedies of SAM under this Contract are cumulative and are without prejudice to one another and are in addition to any rights or remedies SAM may have in law or in equity. No exercise by SAM of any one right or remedy shall operate so as to hinder or prevent the exercise by it of any other right or remedy.

24 WAIVER

24.1 No waiver of any breach of a provision of this Contract shall be deemed to be a waiver by SAM of any other provision or of any subsequent breach of the same provision. The failure of SAM to immediately enforce any of the provisions of this Contract shall in no way be interpreted as a waiver of such provision and waivers shall be binding on the SAM only if done in writing.

25. WARRANTY (APPLICABLE ONLY IF REQUIRED UNDER THE REQUIREMENT SPECIFICATIONS)

25.1 If a warranty is required for the Goods under the Requirement Specifications, the Warranty Period shall commence on the date of receipt of the Goods by SAM. The length of the Warranty Period shall be twelve (12) months unless another period is specified in the Requirement Specifications.

25.2 Where during the Warranty Period, any Goods is found to be:

(a) Defective in design, materials or workmanship; or

(a) Not in accordance with this Contract or any specifications incorporated therein by reference or otherwise; or

(b) Having been used, 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 this Contract or specifications published by the Contractor as applicable to the Goods;

the Contractor shall, at its own expense (including transportation costs), at the written notification of SAM, replace, rectify or completely repair the damaged or defective Goods. The Contractor may, in lieu rectification or repair, elect to replace the damaged or defective Goods within 5 days of the notification.

26 TITLE AND RISK

26.1 Title to the Goods shall pass from the Contractor to SAM upon receipt by SAM in Singapore.

26.2 The risk of loss or damage to the Goods shall pass from the Contractor to SAM upon receipt by SAM in Singapore. Provided that risk of loss or damage to the Goods shall be borne by the Contractor from the time the Goods are received by the Contractor for the purpose of modification, replacement, repair or rectification until the same are delivered and received by SAM.

27 SEVERABILITY

27.1 The invalidity, illegality or unenforceability of any of the provisions of this Contract shall not affect the validity, legality and enforceability of the remaining provisions of this Contract.

28 RETURN OF DOCUMENTS AND OTHER ITEMS

28.1 Within 14 days of the termination or expiry of this Contract or upon written request by SAM on the completion of the provision of Goods under each Purchase Order, the Contractor shall return all records/documents and copies of the same; and all items under the Contractor's possession which:

(a) belong to SAM;

(b) were received from SAM; or
(c) were produced pursuant to this Contract.

In the case of softcopies, such records/documents shall be emailed to SAM's Representative or copied to CDRs/DVDs if the same are provided by SAM and any copies stored in the computer or other storage equipment or media used by the Contractor shall be securely deleted or erased.

29 SAMPLES TESTING

29.1 SAM shall, at its sole discretion, have the right to call for samples of the Goods to be supplied under this Contract for approval and for such further samples as are required until the samples submitted are in accordance with the requirements of this Contract. Upon the approval of SAM, the approved samples shall form the standards to be maintained for the duration of this Contract.

29.2 If any Goods supplied are not in accordance with this Contract or with any approved sample, then, SAM shall have the right to submit any such Goods to expert examination and/or test and all costs in connection with the same shall be borne by the Contractor unless such examination and/or test shows that the said Goods are in accordance with this Contract or with the approved samples.

30 OPTION TO PURCHASE

30.1 The Contractor grants SAM the option to purchase additional quantities of the Goods ("**the Option to Purchase**"). The Option to Purchase shall be exercisable by written notice given by SAM to the Contractor within a period of 30 days from the date of the Letter of Acceptance. If the Authority exercises the Option to Purchase, the additional quantities purchased shall form part of the Goods defined in this Contract and subject to the same terms; read with all necessary changes.

30.2 If there are/is:

(a) unit rates for the Goods, the price for the additional quantities of the Goods purchased under this Clause 30 shall be based on the same unit rates; or

(b) only a lump sum price for the Goods, the price for the additional quantities of the Goods purchased under this Clause 30 shall be based on the lump sum price; prorated where necessary.

31 PAYMENT SCHEDULE

31.1 30 days from the receipt of invoice.