

LOCAL COUNTRY AMENDMENT – MALAYSIA

TO BE READ IN CONJUNCTION WITH [GLOBAL TERMS AND CONDITIONS OF PURCHASE](#)

This Local Country Amendment which includes country-specific supplemental terms and conditions (“**Local Country Amendment**”) is to be read with the Johnson Controls’ Global Terms and Conditions of Purchase (“GT&C”). Where the terms of this Local Country Amendment are not consistent with or conflict with the GT&C, the terms of this Local Country Amendment shall prevail and take priority. The sections referenced below expressed in numerals correlate to the numbered sections of the GT&C.

1. **Clause 4** to be amended as follows:

- The words "imposed value added tax (VAT)" are replaced with "imposed Sales and Service Tax (SST) and any other imposed value added tax, including any tax levied in substitution for GST".
- Added as a last sentence : "All invoices must be a valid "tax invoice" for SST purposes."

2. "**Clause 5.8** to be amended as follows:

Seller’s failure to fully and timely comply with this Section 5, shall provide Buyer with the following remedies which shall be in addition to all other remedies available to Buyer (a) Buyer may, in its sole and absolute discretion, revoke the acceptance, reject, abandon, return or hold such Products at Seller’s expense and risk (“Refused Product”), and (b) Buyer may cancel in whole or in part, i) any Order, ii) award letter, iii) any other agreement, iv) any other obligation Buyer may have to purchase any or all Products from Seller, or v) any combination of (i), (ii), (iii), and (iv) (collectively “Canceled Product”), and (c) at Seller’s sole cost (including the cost for expediting, quality validation, losses related to adverse effects on Buyer’s business as Seller’s failure to comply). Buyer may source replacements for any Refused Product, Canceled Product, or any combination thereof and Seller shall reimburse Buyer for any difference in cost of such replacements plus all associated expenses, including charges for expediting and quality validation, and losses arising out of or related to adverse effects on Buyer’s business as a result of the need to pursue such alternative sourcing.

3. **Clause 6.1** to be amended as follows:

Importer Security Filing. Supplier/Seller acknowledges its obligation with respect to any goods intended for shipment to Malaysia to provide all required information in support of Johnson Controls' obligation under Malaysian law to timely submit information which shall include but not be limited to: (1) Supplier/Seller name and address; (2) Manufacturer or other Supplier name and address (if different from Supplier/Seller); (3) Country of origin; and (4) Commodity HTSUS number (if provided by Johnson Controls for inclusion by Seller/Supplier in its sales/shipping documentation). Supplier/Seller agrees to work with the designated local freight forwarder to provide the requested data and coordinate the export of goods by the required timeframes. Any fines, penalties, liquidated damages, losses and damages or other costs resulting from a delay in the release of merchandise or inability to load merchandise for export shipment to Malaysia resulting from Supplier/Seller's failure to provide this requested information shall be at the sole expense of Supplier/Seller and Supplier/Seller hereby agrees to reimburse Johnson Controls for any amounts it may incur as a result of said failure.

4. **Clause 8** to be amended as follows:

Payment. Unless different payment terms are stated in the Order or required by law, payment on proper invoices will be processed 120 days from the invoice posting date on the next scheduled payment run. Payment runs occur twice a month, around the 9th and 24th of each month. Invoices for tooling and/or capital equipment must be issued only as approved, as provided in the Order. Buyer may withhold payment pending receipt of evidence, in the form and detail requested by Buyer, of the absence of any liens, encumbrances, or claims on Supplies provided under the Order. Payment will be made in the currency expressly stated in the Order; if no such currency is noted, payment will be made in Malaysian Ringgit. Payment will be made by mailing on or before the due date unless otherwise expressly agreed by Buyer. Seller/Supplier shall issue to the Buyer a tax invoice reflecting the Supplies made in accordance with the Order as well as in accordance with the requirements under the laws of Malaysia. For the avoidance of doubt, all amounts stated on the invoices shall, where applicable, be inclusive of goods and services tax or other goods and/or service taxes (if applicable) which refers to taxes imposed on taxable goods and services supplied in Malaysia. The Supplier/Seller agrees to do all things including providing documentation or details as may be necessary to enable or assist the Buyer to claim or verify any input tax credit, set off, rebate or refund in relation to any goods and services tax or other goods and/or service taxes (if applicable) payable arising from the Supplies, if any.

In the event taxes are required to be withheld by any government on payments by Buyer to Supplier/Seller hereunder, Buyer may deduct such taxes from the amount owed and pay Supplier/Seller an amount less such withholding. Buyer shall pay such taxes to the appropriate taxing authority; provided however, that Buyer shall promptly deliver to Supplier/Seller, an official receipt or other appropriate documentation to verify payment of such taxes to the appropriate taxing authority and/or to facilitate any corresponding foreign tax credit claim by Supplier/Seller.

5. Clause 13 to be deleted.

6. Clause 19.4 to be amended as follows:

Additional Insured's – Buyer, the Owner and any other entities as may be reasonably requested shall be named as additional insured's under the Commercial General Liability and Public Indemnity Insurance with respect to work performed under the Order.

7. Clause 19.6 to be amended as follows:

Coverage Limits – The following minimum insurance coverage and limits are required. Where insurance coverage and/or limits are mandated by local law or statute, local requirements apply subject to the minimum limits stated below. The procurement and maintenance of the below insurance coverage shall not limit or affect any liability which Seller/Contractor may have by virtue of this contract. All insurance policies related to the minimum coverage and limits should be issued on an occurrence form (with the exception of Professional Indemnity Insurance to which a claims made policy is acceptable as long as the retroactive date precedes the date of this contract). All limits are stated in U.S. Dollars and apply to Sections A and B.

Type of Insurance	Minimum Limits
Commercial General Liability *: insurance for bodily injury and property damage arising from premises, operations, personal injury, products/completed operations, and contractual liability covering the indemnity provision as set forth in the indemnification section	USD\$1,000,000 (or equivalent amount in other currency) per occurrence and general aggregate, product and completed operation aggregate, general & advertising injury.
Alternatively, Public Liability is acceptable if contractor will be only participating on-site work, including but not limited for installation or maintenance <ul style="list-style-type: none"> • Care, Custody & Control coverage • Working Away From the Premises • Complete Operation Clause All three clauses above shall be included in the policy, Contractual Liability exclusion to be deleted.	USD\$1,000,000 (or equivalent amount in other currency) per occurrence and general aggregate.
Motor Insurance covering all autos with license for public road using in connection with the work performed (only if contractor provides logistics services).	Statutory Limits
Workmen's Compensation (not applicable, if contractor does not participate on-site work)	Statutory Limits
Professional Indemnity Insurance (only applicable if contractor provide professional services, e.g. design, construction management).	USD\$1,000,000 (or equivalent amount in other currency) each claim and in annual aggregate
Cyber Liability (Required if Seller's products or services access data of Buyer or Buyer's customers)	USD\$2,000,000 per occurrence and in annual aggregate
Crime Insurance (only applicable if contractor will be working in premises of buyer or buyer's customers)	USD\$1,000,000 per claim and in annual aggregate

**Comprehensive General Liability limits may be met with a combination of General Liability and Umbrella/Excess Liability policy limits.*

8. Clause 33 to be amended as follows:

Governing Law; Arbitration; Jurisdiction.

Foreign Supplier/Seller

The Order shall be governed by the laws of Malaysia. A person who is not party to this Agreement shall not have any right to enforce any of the provisions herein. Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Asian International Arbitration Centre (“AIAC”) in accordance with the Arbitration Rules of AIAC (“AIAC Rules”) for the time being in force, which rules are deemed to be incorporated by reference in this clause. The seat of the arbitration shall be Kuala Lumpur. The Tribunal shall consist of one (1) arbitrator(s). The language of the arbitration shall be English.

Domestic Supplier/Seller

A person who is not party to this Agreement shall not have any right to enforce any of the provisions herein. The Order shall be governed by the laws of Malaysia and both parties agree to submit to the exclusive jurisdiction of the courts of Malaysia.