

Procurement Procedure (Construction and Consignment)

1. HANDLING THE REGISTRATION SYSTEM WHEN THE SERVICES ARE PROCURED

In case that the services are procured by the suppliers, they are subject to the supplier registration system.

If your company wishes to engage in the construction work and design, we request that you first provide company profile, documents on business condition, permission and certificates that are essential for construction, construction records, and others.

Based on the documents that are submitted, the Materials and Engineering department will examine prior to the registration. If they judge that your service is the potential to be purchased, you're requested to file an application for registration forms.

2. SELECTION OF PROSPECTIVE SUPPLIERS

The Materials Department selects prospective suppliers either from the list of suppliers whose services qualified under the supplier registration system.

3. REQUEST FOR QUOTATIONS

In general, we request quotations from two or more selected prospective suppliers. However, when the procurement need is urgent or only one prospective supplier either from the list of supplier is available, we may request quotations from only one supplier.

4. SUBMITTING QUOTATIONS

Quotations will be deemed valid only if they have met the deadlines, specifications and other conditions specified.

5. DETERMINING CONTRACT PRICE AND AWARDING

CONTRACT

In principle, we will negotiate contract price and other terms and conditions with the consigned company offering the lowest quotation, and a contract will be awarded after an agreement has been reached.

6. CONCLUDING THE CONTRACT

As a rule, construction and consignment contracts will be concluded in writing. Construction contract will be made in accordance with the terms and conditions prescribed. Consignment contract will be made in accordance with the provisions based on business activities. If necessary, however, the contract may be made according to different terms and conditions mutually agreed upon between the successful supplier and us.

7. COMPLETION, INSPECTION, AND PAYMENT

The completed objects and works are subject to inspection upon completion. Payment will be made in the next month after which such construction and completed work meet our requirements. In cases where construction (consignment) period will last for long time, or in other special cases, we will make special arrangements for payment with the successful supplier.

8. OTHERS

- (1) The Suppliers and the Company shall not disclose the confidential information to any third party without prior written consent of the other party.
- (2) The documents that we provide, including specifications, quotations for a request and contract documents, as well as quotations submitted by suppliers shall be written in Japanese.
- (3) During the procurement process, inquiries should be directed to us.