

Conditions of sale, November 2022

1. Definitions

- 1.1 "Buyer" means the organization or person, and each of its affiliated companies anywhere in the world, who buys or agrees to buy Goods from the Seller.
- 1.2 "Sales Contract" means any order, contract or other binding agreement for the sale of Goods by the Seller to the Buyer.
- 1.3 "Delivery Date" means the date specified by the Seller when the Goods are to be delivered (the Gregorian calendar prevails).
- 1.4 "Goods" means the goods, products and other items which the Buyer agrees to buy from the Seller.
- 1.5 "Price" means the price for the Goods, including VAT, but not including other taxes (if any).
- 1.6 "Seller" means Albis Plastic (Far East) Ltd. and each of its affiliated companies anywhere in the world.
- 1.7 "CNY" means "China Yuan"

2. Conditions applicable

- 2.1 These conditions shall apply to all Sales Contracts to the exclusion of all other terms and conditions (including any terms or conditions which the Buyer may purport to apply under any purchase order confirmation of order or similar document, which are all explicitly rejected).
- 2.2 No order for Goods will take effect until a Sales Contract has been concluded by Seller and Buyer in writing (including via email). The Goods' name, quantity, unit price, total price, trade terms, payment terms as defined in the Sales Contract have binding effect on both the Seller and Buyer.
- 2.3 Acceptance of delivery of the Goods shall be deemed conclusive evidence of the Buyer's acceptance of the Sales Contract, including these conditions.
- 2.4 Any variation to these conditions (including any special terms and conditions agreed between the parties) shall be inapplicable unless explicitly agreed in writing by the Seller and signed by Seller's duly authorized representative.
- 2.5 The latest version (edition) of Incoterms published by the International Chamber of Commerce is incorporated herein and applies supplementary. If there is any conflict between the provisions set out herein and the provisions of Incoterms, the provisions set out herein shall prevail.

3. The price, payment and tax

- 3.1 The Price shall be the price set out in the Sales Contract, provided that Seller may make reasonable changes to this Price where, after conclusion of the Sales Contract, cost change arises (particularly for raw materials, public utilities, transportation or labor, or due to foreign currency effects).
- 3.2 Unless otherwise agreed in writing by the Seller, the Buyer shall make the payment to the Seller based on the invoice or payment notice from the Seller. Time for payment shall be of the essence.
- 3.3 Interest on overdue invoices shall accrue from the date when the payment becomes due from day to day until the date of payment, at an interest rate of 0.05% per day (compounding annually). The Buyer agrees to pay the Seller for all expenses incurred in the process of collecting the payment, including, but not limited to, legal proceeding/arbitration/execution/lawyer fees and related travel/hotel expenses.
- 3.4 In case of any overdue payment, or if Seller becomes aware of any circumstances that reduce Buyer's creditworthiness, Seller may immediately suspend delivery under all pending Sales Contracts and demand advance payment.
- 3.5 VAT is included in the price of the Goods, however the Buyer is responsible to pay the Seller directly any other current or further taxes and fees (except for the VAT) with respect to the Price, sale and delivery of any Goods as provided hereunder, unless the Seller agrees to waive this in writing or e-mail.

4. The Goods

The quality and description of the Goods shall be as set out in the Sales Contract.

5. Warranties and liabilities

- 5.1 Subject to clauses 5.2, 7 and 9.2, Seller warrants that the Goods will at the time of delivery correspond to the description given by the Seller in the Sales Contract (any information in catalogues, price lists, websites and promotional materials are indicative, non-binding and not be relied upon). All other warranties, conditions or terms relating to fitness for purpose, merchantability or condition of the Goods, and whether implied by statute or common law or otherwise, are excluded.
- 5.2 The above warranty shall not apply, and no liability for Seller exists, if a Good: (a) only contains a minor defect that does not materially impact use or safety, (b) contains a deviation (in quantity, quality or otherwise) within the tolerances specified by Seller, or in absence thereof a deviation of less than 10%, (c) has not been used strictly in compliance with Seller's advice for use, (d) has been subject to any transformation, modification, processing, comingling or repair by Buyer or a third party, or (e) is defective due to (1) any drawing, design or specification supplied by Buyer, (2) fair wear and tear, or (3) Buyer's or any third party's negligence, mishandling, overuse or improper storage.
- 5.3 Notwithstanding anything to the contrary, Seller's total aggregate liability in contract, tort, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of any Sales Contract shall be limited to the Price of that Sales Contract actually paid by Buyer to Seller, provided that any liability regarding defective Goods shall not exceed to total price of the relevant Goods actually paid by Buyer to Seller.
- 5.4 Notwithstanding anything to the contrary, Seller shall not be liable for any consequential or indirect loss, punitive or liquidated damages, damages not foreseeable by Seller, damages claimed by a third party, nor for any loss of profits, business, revenue, production, contract, reputation or goodwill (even if the Seller has been informed of the potential damage in advance).
- 5.5 To the extent that Seller's liability is precluded or limited, this is also for the benefit of its affiliated companies, and its and their respective shareholders, directors, officers, employees, (sub)contractors and agents ("Related Parties"). Buyer shall, and it shall cause each of its Related Parties to, make any claims regarding a Sales Contract only against the Seller and refrain from making any claims against any of Seller's Related Parties.

6. Delivery of the Goods

- 6.1 Unless otherwise agreed in writing between the parties, delivery of the Goods shall be made under the Incoterm Ex Works (EXW) at Seller's place of business. The Buyer shall make all arrangements necessary to take delivery of the Goods whenever they are tendered for delivery.
- 6.2 The Delivery Date is an estimate only and shall under no circumstances be deemed a firm deadline.
- 6.3 The Seller may deliver the Goods by instalments. Each instalment shall be separately invoiced and paid for.
- 6.4 Deliveries which exceed or fall short of contractually agreed quantities within a range of up to 10% are permitted. The invoice amount shall be adjusted pro rata.
- 6.5 The Seller shall not be responsible for any delay in delivery due to the following causes:
 - 1) Beyond appropriate scope of the Seller's control, including without limitation due to force majeure, behavior of the Buyer, action or omission by a third party, act of government or military, government priority, fire, strikes/labor unrest, riots, flood, epidemic disease, war, civil disorders, terrorists, delay caused due to lack of transportation; or
 - 2) The Seller fails or delays to obtain proper labor, raw materials and facilities due to the reason beyond appropriate scope of its control.In case the delay is caused by the above reasons, the period of performance by the Seller shall be extended from the date of delaying until such causes are disposed of.

7. Acceptance of the Goods

- 7.1 The Buyer shall inspect all Goods immediately upon delivery, and Buyer shall be deemed to have accepted the Goods without defect or claim 48 hours after delivery to the Buyer.
- 7.2 Unless a prompt written notification is sent by the Buyer to Seller within 48 hours after delivery of Goods stating that the Goods do not conform to the Sales Contract accompanied by sufficient evidence, the Seller is not liable in respect of the Goods. Even if there is a prompt notification sent by the Buyer within 48 hours after delivery of Goods stating that the Goods are not in accordance with the Sales Contract, the Seller is also entitled to reject the return before verification.

8. Title and risk

- 8.1 The legal and beneficial ownership of the Goods will not pass to the Buyer until the Buyer has paid in full the Price. Until such time the Buyer shall take custody of the Goods as the Seller's trustee and agent and shall store or place the Goods separately for the identification of the Seller's ownership. Upon the Seller's first request, the Buyer shall deliver up the Goods to the Seller or its agent. At no time before full payment of the Price shall the Buyer sell or use the Goods.
- 8.2 The risk of the Goods shall pass on delivery of the Goods.

9. Remedies of Buyer

- 9.1 In case liabilities only attributed to the Seller which is caused by a breach of contract or related matters, it is entirely within the Seller's discretion to select any of the remedies stated as following: replacement of the non-conforming Goods or return of the Price of the non-conforming Goods, provided that a prompt written notification with regard to the discrepancy of Goods has been sent from the Buyer to the Seller within 48 hours after delivery to the Buyer.
- 9.2 In accordance with article 7 hereof, where the Buyer accepts or has been deemed to have accepted any Goods, then the Seller shall have no liability whatever to the Buyer in respect of those Goods.

10. Remedies of Seller

- 10.1 Buyer shall indemnify and hold harmless Seller and its Related Parties from any and all losses, damages, expenses (including reasonable legal fees), costs, fees, charges, penalties, claims, judgements, actions and proceedings incurred by Seller or any of its Related Parties arising from or related to: (i) any breach by Buyer of any Sales Contract, these conditions or any other agreement between the parties, (ii) any fraud, negligence, misconduct or breach of applicable laws by Buyer or its Related Parties, or (iii) any claim by any third party in relation to any Goods (including end-user/product liability claims).
- 10.2 In case Buyer breaches any of its obligations under any Sales Contract or these conditions, Seller is entitled to (a) suspend or terminate the relevant Sales Contract and any other Sales Contracts (without any prior or formal notice being required), and (b) retain Buyer's (pre)payments to cover possible loss on the resale of Goods.
- 10.3 Buyer shall cause each of its Related Parties to comply with the terms of each Sales Contract, these conditions and any other agreement between the parties as if the Related Party itself would be a party thereto together with, or instead of, Buyer.

11. Applicable Law and Dispute Settlement

- 11.1 These conditions and each Sales Contract shall be governed and construed by the laws and regulations of Hong Kong SAR. The UN Convention on Contracts for the International Sale of Goods (CISG/Vienna Convention) is excluded.
- 11.2 Any disputes arising from or in connection with these conditions or a Sales Contract (including its formation, subject matter and non-contractual claims), shall be exclusively referred to and settled by the Hong Kong International Arbitration Centre (hereinafter "HKIAC") in accordance with the HKIAC Administered Arbitration Rules in force when submitting the Notice of Arbitration. The arbitration shall be conducted in Hong Kong, the number of arbitrators shall be one (1), and the language used in the arbitration proceedings shall be English. The award shall be final and binding on both Parties. The arbitration fees (including the execution costs, costs of the lawyers of the prevailing Party, investigation fees as well as travel fees of the prevailing Party) shall be borne by the non-prevailing Party. If the case is partially success or lose, then the arbitration fees shall be borne pursuant to the proportion.