



General Conditions of Sale, Delivery and payment.

1. General/Scope of validity

- 1.1 Our conditions of sale apply exclusively; we cannot acknowledge conditions of the orderer which are contrary to or different from our conditions of sale unless we expressly accept them in writing. Our conditions of sale also apply when we make an unconditional delivery to the orderer with knowledge of conditions of the orderer which are contrary to or different from our conditions of sale.
- 1.2 Our conditions of sale also govern all future business with the orderer.
- 1.3 All agreements made between ourselves and the orderer for the execution of this contract must be written down in this contract. Special arrangements and verbal and telegraphic to telex orders shall be subject to our written confirmation.
- 1.4 All offers are made without obligation.
- 1.5 We reserve title and copyright in illustrations, drawings, calculations and other documents; they may not be disclosed to third parties. This applies in particular for written documents identified as "confidential" and the orderer shall not pass them to third parties without our express written authority.

2. Prices / Conditions of Payment

- 2.1 Unless stated otherwise in the confirmation of order our prices are "ex works" prices.
- 2.2 Our prices do not include orderer's bank charges; this item must be born entirely by the orderer.
- 2.3 We reserve the right to reasonably increase our prices if after contract signature material prices, labor costs and transport charges increase or similarly situated circumstances beyond our control arise which increase the cost of purchasing, production or distribution.
- 2.4 Unless stated otherwise in the confirmation of order the purchase price is due for payment net without deductions. If the orderer is in default we are entitled to charge arrears interest at 4 % p.a. above the ruling discount rate of the Hong Kong Monetary Authority without issuing a reminder.
- 2.5 Delivery abroad is made against prepayment or irrevocable letter of credit or by special arrangement.
- 2.6 The orderer has no right or retention or set-off unless his counter claims are upheld in law, uncontested or accepted by us. In addition a right of retention may only be exercised when his counterclaim is based on the same contract relationship.

3. Delivery and Delay in Acceptance.

- 3.1 The compliance with our obligation to deliver and the start of the delivery period which we specify is conditional on the prompt and proper fulfillment of the duties of the orderer and the resolving of all technical matters.
- 3.2 Our quoted delivery dates are approximate only. Claims for damages because of delayed delivery or non-delivery cannot be accepted unless based on deliberate gross negligence. Acts of God, official measures, industrial disputes and other business disruptions beyond our control shall release us from all delivery obligations until their cessation and shall not annul the purchase contract.
- 3.3 Incomplete or incorrect deliveries or shortcomings must be reported in writing immediately and not later than 1 week from receipt of the goods. Otherwise the delivery shall be deemed to have been properly made.

4. Transfer of Risk / Packing Costs

- 4.1 "Ex works" delivery is agreed unless stated otherwise in the confirmation of order.
- 4.2 Transport packaging and all other packaging will not be taken back; this shall not apply to pallets. The orderer has a duty to arrange for the disposal for the packaging at his own expense.
- 4.3 If the orderer wishes we shall take out our transport insurance for the shipment; the orderer shall pay for any costs incurred by this.

5. Retention of Title

- 5.1 The invoiced goods remain our property until payment in full of the purchase price including any subsidiary claims out of the purchase contract (in case of payment by cheque or note until its final collection. If the orderer has a current account the retained title is security for our balance claim.
- 5.2 The orderer must advise us immediately in writing of any garnishments and other interventions by third parties so that we may institute proceedings accordingly. The orderer shall be liable for our losses in so far as the third party is unable to pay us the legal and non-legal costs of an action.
- 5.3 The orderer is entitled to resell the thing purchased in the normal course of business; however he assigns to us as of now all claims in the amount of the final invoice amount including sales tax of our claim which accrue to him from the resale against his buyers or third parties and irrespective of whether the thing purchased has been resold before or after processing. The orderer remains authorized to collect this claim even after the assignment. This does not affect our entitlement to collect the claim ourselves. We undertake to discharge the guarantees in our favor on demand by the orderer in so far as the value of our guarantees exceeds the guaranteed claims by more than 20 %.
- 5.4 If the thing purchased is indivisibly blended together with objects which do not belong to us then we shall acquire joint title in the new thing pro rata the value of the thing purchased to the other blended objects at the time of blending. If the blending is done in such a way that the thing of the orderer must be regarded as the main thing then it is taken as agreed that the orderer assigns joint title to us pro rata. The orderer assumes custody of the resulting sole title or Joint title on our behalf.
- 5.5 Any processing or transformation of the thing purchased by the orderer is done under his own responsibility, including all costs of parts, manpower, shipping, handling etc.

6. Warranty

- 6.1 Unless otherwise agreed our condition of warranty apply exclusively.
- 6.2 The orderer shall have no claim to conversion or reduction unless the defect cannot be remedied. Saving as may arise out of the forgoing, the orderer shall have no other claims on any legal grounds whatever. We therefore accept no liability for damage not sustained by the delivered item itself; specifically we accept no liability for loss of profit or other prejudice to the assets of the orderer. This does not apply when the prejudice is due to gross negligence or deliberate intent saving in the case of grossly negligent behavior on the part of a servant or agent. The exclusion also does not apply when claims for damages are made in respect of the absence of promised properties. In the event of a negligent breach of contract the damage shall be limited to the foreseeable loss

7. General Final Provisions

- 7.1 The place of jurisdiction is the court which has local and material jurisdiction for our head office.
- 7.2 Should one of these clauses be void then validity of the other clauses shall not be affected. In lieu of the void clause a provision shall be taken as agreed which closest achieves the commercial object and purpose of the clause.
- 7.3 The contract shall be subject to the laws of Hong Kong.