

STANDARD CONDITIONS OF SALE AND SUPPLY

Definitions

"Buyer" means any person, firm or company placing an order with the Seller.

"Conditions" means these terms and conditions of sale and supply under this Standard Conditions of Sale and Supply.

"Contract" means any contract between the Seller and the Buyer for the sale of Products to the Buyer.

"Products" means any Products supplied by the Seller to the Buyer.

"Incoterms" means the latest edition of the trade terms of the International Chamber of Commerce.

"Seller" means Elektrisola Hangzhou Co., Ltd.

In these Conditions the singular shall include the plural.

1 Existence of Contract

- 1.1 Unless otherwise agreed in writing between the Buyer and the Seller, these Conditions shall apply to all Contracts to the exclusion of all other terms and conditions including any terms and conditions which the Buyer may purport to apply under any Buyer specification, purchase order or similar document.
- 1.2 These Conditions shall also apply to any future oral or written Contract.
- 1.3 No verbal representation or verbal statement by an employee or agent of the Seller shall form part of the Contract nor shall any such verbal representation or statement be treated as constituting a representation on the part of the Seller or a term of the Contract unless such representation or statement shall be confirmed in writing.

2 Amendments and Cancellation

- 2.1 The terms of the Contract shall not be varied unless the Seller expressly makes or accepts any variation in writing.
- 2.2 The Contract may only be cancelled by the Buyer with the Seller's prior written consent and upon cancellation the Seller shall be entitled to invoice the Buyer for all work carried out to date by the Seller under or pursuant to the Contract including any costs and expenses incidental to that work.

3 Orders

- 3.1 No order submitted by the Buyer shall be deemed to be accepted by the Seller unless and until confirmed in writing by the Sellers' authorized representative.
- 3.2 Written orders reflect the price at the time of order, however, the invoiced price is the price at the time of delivery and may vary from the order price.
- 3.3 Orders for Products once accepted by the Seller may not be cancelled or suspended without the Seller prior written consent. Any cancellation or suspension of an order which the Seller agree to shall be on condition that the Buyer indemnify the Seller against any loss incurred wholly or in part by the cancellation or suspension.

4 Delivery

- 4.1 The terms of delivery are defined in accordance with INCOTERMS 2010 and/or orders.
- 4.2 Any additional costs incurred due to special delivery requirements of the Buyer, shall be chargeable to and payable by the Buyer.
- 4.3 Time for delivery shall not be of the essence of the Contract unless otherwise agreed with the Seller in writing. All quoted delivery dates are approximate; however, the Seller shall use all reasonable endeavors to deliver on a quoted date.
- 4.4 The Seller shall not be liable for any direct, indirect or consequential loss (all three of

which terms include, without limitation, pure economic loss, loss of profits, loss of business, depletion of goodwill and similar loss), costs, damages, charges or expenses caused directly or indirectly by any delay in the delivery of the Products howsoever caused.

- 4.5 In the event of delay, the Seller shall not be liable to for any premium transportations of the Products to the Buyer.
- 4.6 If for any reason the Buyer fails to accept delivery of any of the Products when they are ready for delivery, or the Seller is unable to deliver the Products on time because the Buyer has not provided appropriate instructions, documents, licenses or authorizations:
- a. risk in the Products shall pass to the Buyer (including for loss or damage caused by the Seller's negligence);
 - b. the Products shall be deemed to have been delivered; and
 - c. the Seller may store the Products until delivery, whereupon the Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

5 Force Majeure

- 5.1 The Seller shall use all reasonable endeavors to perform each contract promptly, however, the Seller shall not be under any liability in respect of any delay in delivery or completion of work or service or other non-performance of its obligations under the Contract arising from any Force Majeure occurrence not within the reasonable control of the Seller including but not limited to industrial or labor disputes, riots, mobs, fires, floods, wars, civil strife, embargoes, shortages of labor, materials, power, fuel or means of transportation or other unexpected events, whether affecting the Seller or any of its suppliers or subcontractors, or for circumstances caused by reasons of law, regulations or actions or inactions of any government or other competent authority.
- 5.2 Any delay caused by Force Majeure shall be excused and the Seller may terminate, cancel, rescind, and/or suspend for any period and/or reduce the quantities supplied under any contract without liability for resulting loss, injury or damage.
- 5.3 Any such delay or failure on the part of the Seller shall not affect the obligation of the Buyer to pay for the Products already delivered.

6 Retention of Title and Risk

- 6.1 Transfer of ownership to the Products takes place on the date of the Seller receipt of full payment, including possible interest on overdue payment unless otherwise agreed upon.
- 6.2 As long as the price has not been paid in full, the Buyer (a) is committed to take all measures necessary to store, protect and identify the Products, to inform the Seller of such measures, and to grant the Seller free access to the premises where the Products are properly stored at the Buyer's risk and expense, and (b) undertakes not to process, incorporate, give as security or resell the Products, unless prior written authorization is given by the Seller
- 6.3 Unless otherwise agreed in writing between the Buyer and the Seller, the risk of damage to or loss of the Products shall pass to the Buyer in accordance with the INCOTERMS 2010 and/or relevant laws and regulation.

7 Price

- 7.1 Unless otherwise agreed in writing, the price payable for the Products shall be as stated in the Seller's price list or quotation current at the date of dispatch from the Seller's premises.
- 7.2 Such price shall be exclusive of any storage, carriage, insurance, customs duties and all other taxes, duties and expenses in respect of the Products all of which shall be added to the price for the Buyer's account.

7.3 The Seller has the right from time to time to increase quoted prices to reflect any increase in the product costs as a result of any factors beyond the control of the Seller.

8 Payment

8.1 Payment terms shall be agreed in writing as per stated in the quotation.

8.2 Any payment outstanding after the agreed due date shall accrue interest at the rate of ten percent (10 %) per annum; on the unpaid amount from the date such payment becomes due.

8.3 The Buyer shall not be entitled to set-off any sum claimed against payments due to the Seller under any Contract.

8.4 The Seller may withhold any and all further deliveries to the Buyer until any unpaid amount, including interest, have been paid in full.

9 Intellectual Property

No warranty or representation is given by the Seller that the Products do not infringe any copyright, patents, registered designs, trade mark or other industrial property rights of third parties.

10 Product Quality Assurance

10.1 The Seller assures that the Products shall correspond to the published specifications when used for the purpose of which Products of that type are normally used.

10.2 The Buyer shall inspect the Products as soon as possible after their arrival at destination and shall notify the Seller in writing of any lack of conformity of the Products within 15 days from the date when the Buyer discover or ought to have discovered the lack of conformity. In any case the Buyer shall have no remedy for lack of conformity if he fails to notify the Seller within 6 months for the date of arrival of the Products at the agreed destination.

10.3 When Products are non-conforming (and provided the Buyer have given notice in compliance with Clause 10.2, and does not elect to retain them, the Seller shall either replace the non-conforming Products free of charge, or take back the non-conforming Products and refund the purchase price (if already paid by the Buyer) at the Seller's sole discretion.

10.4 If the Seller complies with condition 10.3 it shall have no further liability for a breach of any of the assurances in condition 10.1 in respect of such Products, the Seller shall have no further liability whatsoever to the Buyer. If the Seller elects to replace such Products, the Seller has a reasonable time to provide replacement.

10.5 The Seller shall not be liable to make good of the lack of conformity of the Products if, (a) the Buyer makes any further use of such Products after giving such notice; or (b) the defect arises because the Buyer failed to follow the Seller's oral or written instructions as to the storage, installation, commissioning, use or maintenance of the Products or (if there are none) good trade practice; or (c) the Buyer alters or repairs such Products without the prior written consent of the Seller.

10.6 Any Products supplied by the Seller as "trial products" at the request of the Buyer are provided for test purposes only and the Buyer shall be solely responsible for any loss or damage arising from or related to them.

10.7 This assurance extends to the Buyer only, and not to Buyer's customer or to users of Buyer's product.

10.8 This assurance does not extend to any product used for aircraft, space, marine and its related use.

11 Limitation of Liability

The Seller's aggregate liability to the Buyer for damages under this Contract, and regardless of whether the claim for such damages is based in contract, tort, strict liability or otherwise, shall be limited to and under no circumstances exceed the purchase price of the Products, work or service provided under the Contract. The value of aforementioned Purchase price is excluding metal, transportation cost or any other incidental costs. Notwithstanding the above the Seller is under no circumstance liable for any indirect, consequential, special, punitive, incidental or exemplary damage including, but not limited to, loss of profits or loss of business, depletion of goodwill, loss of savings, labor costs, loss of use or business interruption arising out of or in connection with this Contract.

12 Product for aircraft, space and marine use

The Buyer acknowledges that if the the Product shall not used for aircraft, space, marine and its related use. The Buyer shall notify the Seller if the Product is intended for such use.

13 Regulations

The Buyer shall be responsible for compliance with all relevant laws and regulations and for obtaining and maintaining at its expense any necessary import or export licenses, customs clearance, exchange control consent or other authorizations and permits whatsoever

14 Confidentiality

The Buyer will keep confidential all information, including but not limited to, price quoted, drawings, specifications, trade secret, and instructions, furnished to the Buyer. The Buyer agrees not to use any information for his own use or for any other purpose other than for the purpose for which they were furnished. The Buyer shall not without the Seller's prior written consent disclose, transfer, transmit or otherwise make available to a third party in any manner or form whatsoever the documents or their contents or any information thereof which can permit the duplication or other utilization of them by any third party.

15 Waiver

The failure of the Seller to insist upon the strict performance of any of the terms and conditions of the Contract shall not be construed as a waiver of any such term or condition and shall in no way affect the Seller's right to enforce such provision at a later date.

16 Severability

If any wording in any provision of the Contract is found by any court, tribunal or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable or unreasonable it shall, to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.

17 Governing Law

The construction, validity and performance of the Contract is governed by the laws and regulations of People's Republic of China and by entering into the Contract the parties submit to the exclusive jurisdiction of the people's courts where Seller domiciled.

18 Languages

This Standard Conditions of Sale and Supply is stipulated in both Chinese and English. Both language versions shall be equally authentic.