



GENERAL TERMS AND CONDITIONS OF SALE

1. **General**
 - 1.1 These general terms and conditions of sale ("**General Conditions**") are applicable to every offer, quote, purchase order, order confirmation, invoice or agreement between Cosbond China Limited, with CR NO. 1170906, part of the Azelis Group ("**Azelis**") and its purchaser ("**Purchaser**"), unless otherwise agreed in writing between the parties. In the event of any conflict between these General Conditions and any more specific conditions agreed in writing between the parties ("**Specific Conditions**"), the provisions of the latter shall prevail.
 - 1.2 The General Conditions and the Specific Conditions shall hereinafter jointly be referred to as the "**Agreement**".
 - 1.3 Acceptance of the General Conditions implies that the Purchaser renounces in full the application of its own general terms and conditions (of purchase), which are rejected by Azelis.
 - 1.4 No variation to the General Conditions shall be binding unless agreed in writing between the authorised representatives of Azelis and the Purchaser. Any and all General terms and conditions of the Purchaser which are not expressly confirmed by Azelis in writing before signing any contract shall not be binding on Azelis in any way, even if Azelis does not expressly object to them.
2. **Offers, orders and delivery**
 - 2.1 Except as otherwise indicated therein, offers remain valid for a period of 7 calendar days. An Agreement is only entered into between Azelis and the Purchaser once the Purchaser has accepted Azelis' offer in writing, or, in the event no prior offer is made by Azelis, when Azelis has issued a written (purchase) order confirmation.
 - 2.2 Every purchase order from the Purchaser to Azelis shall be made in writing and shall be considered final and irrevocable. No order submitted by the Purchaser shall be deemed to be accepted by Azelis unless and until confirmed in writing by Azelis.
 - 2.3 Unless the parties expressly agreed otherwise, the delivery of the products shall take place EXW in accordance with the latest edition of the Incoterms Rules issued by the International Chamber of Commerce at the time the Specific Conditions are entered into.
 - 2.4 The Purchaser accepts deviations (in accordance with usual commercial practice) of +/- 10% compared to the ordered volume due to safety considerations or filling methods for deliveries in mounted tanks, tankers and silo vehicles and Purchaser accepts that the invoice shall be increased or reduced proportionally.
 - 2.5 Azelis will use reasonable commercial efforts to fulfil each order on the confirmed delivery date and to avoid or limit any delays. In the event of a (threatened) delay in delivery, Azelis shall in any event promptly inform the Purchaser thereof and Azelis and the Purchaser shall consult on the most practical manner to remedy any adverse consequences thereof. The delivery can be suspended by Azelis as long as the Purchaser has not yet fulfilled any obligation vis-à-vis Azelis.
 - 2.6 The Purchaser is obliged to take physical possession of the ordered products on the confirmed delivery dates. Should the Purchaser for any reason, except for delivery of defective products, not take physical possession of the products at the time of delivery: (i) the products shall be deemed to have been delivered; (ii) the risk in the products shall pass to the Purchaser; and (iii) Azelis is entitled to store the products on behalf of the Purchaser at the sole expense and risk of the Purchaser. None of the measures in this clause 2.6(i), (ii) and (iii) suspends the payment obligation of the Purchaser.
 - 2.7 Pallets, containers, tankers, mounted tanks and other tools, parts and units employed during transportation that are not intended for one-off use (the "**Transport Unit**") remain in any event the property of Azelis, even if the Purchaser is charged a deposit for the Transport Unit, except in the event the Transport Unit is invoiced to the Purchaser. The Purchaser is obliged to return the Transport Unit to Azelis in the condition in which it was delivered upon Azelis' first request. Should Azelis receive the Transport Unit in a condition inferior to the one in which it was delivered, the Purchaser shall indemnify Azelis for any loss or damages.
3. **Reservation of title and transfer of risk**
 - 3.1 Products sold remain the property of Azelis until payment of the purchase price in full (including without limitation late payment interests, costs and indemnities payable by the Purchaser) (the "**Purchase Price**") or any other amount owed by the Purchaser to Azelis. Failure to pay any amounts due on the respective dates shall entitle Azelis the rights to reclaiming the products. Until the Purchase Price is paid in full, (i) the Purchaser acknowledges that he is in possession of the products solely as bailee for Azelis, (ii) the Purchaser shall not use the products as currency or pledge or otherwise dispose of the products, and (iii) the Purchaser shall store the products in such a manner that they are clearly identifiable as the property of Azelis. The Purchaser may however use in its own production process or sell the products at full market value to its own bona fide customers taking into account that Azelis shall be entitled immediately and exclusively to the final and/or reworked product or to the proceeds of such sale up to the purchase price.
 - 3.2 Until such time as both the legal and the beneficial title of the products are passed to the Purchaser, the Purchase shall hold the Products as Azelis' fiduciary agent and bailee, shall keep the products separated from those of the Purchaser or third parties, shall properly store, protect, insure and identify the products as Azelis property.
 - 3.2 Reservation of title by Azelis pursuant to this clause 3 does not affect the risk transfer to the Purchaser as from the time of delivery, whereby the Purchaser will bear all risks and storage burden in accordance with clause 2 hereinabove.
 - 3.3 The Purchaser's right to possession of the products shall terminate and the Purchaser shall notify Azelis immediately (i) if the products are seized by a third party; (ii) in case of breach by the Purchaser of one or more of the obligations arising from the Agreement in case the breach has not been remedied within 7 calendar days following the issuance of a written notice by Azelis; (iii) if the Purchaser enters into any composition or similar general arrangement (formal or informal) with its creditors or is unable to pay its debts, is subject to a procedure of judicial reorganisation or bankruptcy, has a receiver or administrator appointed in respect of its undertaking, assets or income or any part thereof, has passed a resolution for its liquidation, or a request is filed or an order is made by any court for its liquidation or for its administration; or (iv) if the Purchaser ceases to trade. In the event of seizure, bankruptcy, or inability to pay its debts, the Purchaser shall inform the competent bailee, trustee in bankruptcy or administrator of the existence of the retention of title clause contained herein, i.e. this clause 3, and shall make available all relevant documents concerning the products.
4. **Price and payment terms**
 - 4.1 The purchase orders are invoiced at the prices and on the terms and conditions as stated in the written (purchase) order confirmation issued by Azelis or the Specific Conditions.
- 4.2 Unless otherwise agreed, Azelis' invoices are payable by the Purchaser of Azelis within 30 calendar days following the invoice date (the "**Due Date**"), via bank transfer on such bank account as indicated therein (including any costs, taxes, duties or other levies). Any objection should be communicated by the Purchaser via registered mail within 7 calendar days following the issuance of the invoice. Upon expiration of such term, the relevant invoice shall be considered undisputed and payable by the Purchaser and no further complaints shall be accepted by Azelis.
- 4.3 In case of (partial) non-payment of an invoice by the Due Date, Azelis is automatically entitled, without prior notice, by the statutory interest applicable in the jurisdiction of the Purchaser's place of business for late payment without prejudice to Azelis' right to claim a higher compensation in case the incurred damages exceed the aforesaid amount. All extrajudicial and legal costs incurred by Azelis in the process of compelling the Purchaser to fulfil its obligations are payable by the Purchaser.
- 4.4 In case of (partial) non-payment of an invoice on the Due Date Azelis reserves the right to suspend the execution of all pending purchase orders, without giving prior notice or paying any compensation to the Purchaser.
5. **Warranties and notice of defects**
 - 5.1 Azelis warrants that products are delivered free from any liens and encumbrances, in accordance with the product specifications, all applicable laws and the terms of the Agreement. Azelis makes no other representation or warranty with regard to the products, their merchantability, fitness for use or a particular purpose or otherwise, express or implied, all of which are hereby expressly excluded.
 - 5.2 Azelis shall not be liable for breach of warranty in clause 5.1 if: (i) the Purchaser makes any further use of such products after having filed a complaint in accordance with clause 5.3, (ii) Purchaser failed to comply with product documentation and/or instructions as to the storage, use or handling of the products as provided for by Azelis; or (iii) the Purchaser alters such products without the prior written consent of Azelis.
 - 5.3 Upon delivery of the products, the Purchaser shall immediately inspect and examine the delivered products. If the Purchaser discovers that a delivery of the products or part thereof has any defects which are apparent on reasonable visual inspection (e.g. transport damages and quantity), the Purchaser shall promptly notify Azelis in writing and shall provide reasons for such rejection. The Purchaser shall furthermore notify Azelis of any latent defects in writing within 7 calendar days following its discovery and shall provide details thereof. Failure to make such claim within the aforesaid timeframe shall be deemed as a final and irrevocable acceptance of the products by the Purchaser.
 - 5.4 Without prejudice to applicable mandatory legal obligations, the Purchaser shall, upon acceptance of a complaint by Azelis, be entitled to a replacement of the products, or a refund of the agreed price provided that the products are returned to Azelis by the Purchaser. No products may be returned or destroyed without Azelis' prior written consent.
 - 5.5 With respect to the products that are not manufactured by Azelis, the duration and the scope of the guarantee provided by Azelis is always limited to any guarantee that Azelis receives from its manufacturer or its supplier (back-to-back) as provided in the Specific Conditions and/or the specifications.
 - 5.6 Azelis may oblige the Purchaser to recall products sold by the Purchaser, within a reasonable period to be determined by Azelis, if it appears that the products sold by the Purchaser could be defective or cause loss or damage. Furthermore, Purchaser shall comply with all reasonable instructions Azelis may give in view of such product recall. The costs for such recall shall be paid by Azelis. In the event that the Purchase fails to recall products upon the request of Azelis within a reasonable period, or that the Purchaser fails to comply with all reasonable instructions given by Azelis in relation to such product recall, all liabilities arising from such failure shall be borne by the Purchaser.
6. **Liability**
 - 6.1 Azelis shall indemnify the Purchaser against all claims, liabilities, losses, damages, costs, penalties and expenses awarded against or incurred or paid by it as a direct result of or in connection with a breach of any warranty given by Azelis or obligation imposed on Azelis under the Agreement.
 - 6.2 In the event that Azelis is held liable for any damages in accordance with clause 6.1, such liability shall be limited to (i) 5 times the invoice value of that part of the purchase order to which the liability pertains if the related invoice value is less than € 50,000 (or equivalent amount in a currency preferred by Azelis at an exchange rate current at the time of payment), and (ii) 2 times the invoice value of that part of the purchase order to which the liability pertains if the related invoice value is higher than or equals € 50,000 (or equivalent amount in a currency preferred by Azelis at an exchange rate current at the time of payment).
 - 6.3 Azelis shall not be liable for any type of special, incidental, indirect, consequential or liquidated damages, including but not limited to loss of profit, loss of savings or damage to the Purchaser and/or any third parties.
 - 6.4 Nothing in these General Conditions excludes or limits Azelis' liability for gross negligence, willful misconduct, fraud or death or personal injury caused by Azelis.
7. **Anti-bribery and export control regulations**

When conducting business with Azelis, the Purchaser shall, and shall cause its directors, officers, employees, agents and representatives (the "**Representatives**") to comply with Azelis' Code of Conduct (as available on www.azelis.com), all applicable anti-bribery legislation and any local or international export control regulations. In particular, the Purchaser and its Representatives shall refrain from (i) making any payments or give other inducements which are considered as a bribe or facilitation payment under the Prevention of Bribery Ordinance (Cap. 201) of the laws of Hong Kong, UK Bribery Act 2010 or any other applicable anti-bribery laws and (ii) infringing any diplomatic, economic or military sanction or restrictive measure imposed on certain countries, individuals or entities by the United Nations or any governmental department or agency of the European Union or the United States of America applicable to any (contemplated) transaction under this Agreement.
8. **Force majeure**

Azelis shall be legally released of, and not obliged to comply with, any obligation vis-à-vis the Purchaser in case of an event of force majeure including but not limited to explosion, fire or flood, protests, riot, civil commotion, acts of terrorism, governmental actions, lock-outs, traffic circulation problems, strikes or other industrial action, import or export restraints, embargo, equipment damages, an outbreak, epidemic or pandemic, failure of Azelis' supplier to deliver the products in time to Azelis
- and any event which prevents the normal supply of its products, as well as similar circumstances that affect Azelis' subcontractors or suppliers. During such event of force majeure, the obligations on the part of Azelis are suspended for a period equal to the period during which the event of force majeure exists. If the event of force majeure continues for a period of more than 3 months, either party may terminate the suspended part of the Agreement with immediate effect by notifying the other party in writing thereof, without any liability and damages being due to the other party.
9. **Termination**

Azelis has the right to terminate the Agreement with the Purchaser at any time, with immediate effect, without prior notice and without compensation (i) in case the products are seized by a third party; (ii) in case of breach by the Purchaser of one or more of the obligations arising from the Agreement in case the breach has not been remedied within 7 calendar days following a written notice by Azelis; (iii) in case of a breach by the Purchaser or its Representative(s) of any of the obligations set out in clause 7, (iv) if the Purchaser enters into any composition or similar general arrangement (formal or informal) with its creditors or is or is at the risk of being unable to pay its debts, is subject to a procedure of judicial reorganisation or bankruptcy, has a receiver or administrator appointed in respect of its undertaking, assets or income or any part thereof, has passed a resolution for its liquidation, or a request is filed or an order is made by any court for its liquidation or for its administration; or (v) if the Purchaser ceases to trade or carry out any businesses. Without prejudice to its rights or claims under the Agreement, Azelis reserves the right to claim from the Purchaser compensation for all costs, interests and damages incurred from the termination pursuant to this clause 9.
10. **Confidentiality**

The Purchaser shall not, without Azelis' prior written consent, reveal to any person or otherwise announce the existence or content of its Agreement with Azelis, except to the extent: (i) required by applicable laws and regulations; (ii) necessary to obtain the benefit of, or to carry out obligations under, this Agreement; or (iii) that the information is or becomes available in the public domain without breach by a party of its confidentiality obligations under the Agreement or at law. The Purchaser further acknowledges that in the course of the performance of its obligations under the Agreement it may have access to confidential or proprietary information of Azelis. Such confidential information will remain the sole and exclusive property of Azelis and will not be used by the Purchaser for any purpose other than the discharge of the Purchaser's obligations vis-à-vis Azelis. No further use will be made by the Purchaser after termination of the Agreement.
11. **Miscellaneous**
 - 11.1 The Agreement constitutes the entire agreement between the parties. The Purchaser acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of Azelis which is not set out in the Agreement in entering into the Agreement.
 - 11.2 In the event that any one or more of the provisions of the Agreement, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but the Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein. In such case, the parties shall make every effort to make a valid and enforceable provision in lieu of the ineffective provision, which reflects as closely as possible the provision which has become ineffective.
 - 11.3 Failure or delay by Azelis in enforcing or partially enforcing any provision of the Agreement will not be construed as a waiver of any of its rights under the Agreement.
 - 11.4 Any waiver by Azelis of any breach of, or any default under, any provision of the Agreement by the Purchaser will not be deemed to be a waiver of any subsequent breach or default.
 - 11.5 The Purchaser may not assign any of its rights or obligations without the prior written consent of Azelis.
12. **Applicable law and jurisdiction**
 - 12.1 The Agreement as well as all other agreements that result there from, are exclusively governed by the laws of Hong Kong, without regard to choice of law rules. The application of the UN Vienna Sales Convention of 11 April 1980 as amended from time to time, is expressly excluded.
 - 12.2 All disputes arising out of or in connection with the Agreement as well as all other agreements that result there from, shall be exclusively submitted to the courts of Hong Kong.