



Standard Terms and Conditions for Sale of Goods

1. DEFINITIONS

In this document the following words shall have the following meanings:

- 1.1 "Buyer" means the organisation or person who buys Goods from the Seller;
- 1.2 "Goods" means the articles to be supplied to the Buyer by the Seller;
- 1.3 "Intellectual Property Rights" means all patents, registered and unregistered designs, copyright, trade marks, know-how and all other forms of intellectual property wherever in the world enforceable;
- 1.4 "Seller" means Synco Marketing Ltd or any of its subsidiaries.

2. GENERAL

- 2.1 These Terms and Conditions shall apply to all contracts for the sale of Goods by the Seller to the Buyer to the exclusion of all other terms and conditions referred to, offered or relied on by the Buyer whether in negotiation or at any stage in the dealings between the parties, including any standard or printed terms tendered by the Buyer.
- 2.2 Any variation to these Terms and Conditions (including any special terms and conditions agreed between the parties) shall be inapplicable unless agreed in writing by the Seller.
- 2.3 The Contract may only be cancelled by the Buyer with the written consent of the Seller. The Buyer shall be responsible for payment in full of all losses (including loss of profit), costs, damages, charges and expenses incurred (directly or indirectly) by the Seller as a result of such cancellation.

3. PRICE AND PAYMENT

- 3.1 The price shall be that in the Seller's estimate, or such other price as the parties may agree in writing. The price is exclusive of customs duties, value added, purchase or any other applicable taxes or costs. Carriage shall be paid for by the Buyer.
- 3.2 Unless otherwise agreed in writing, the Buyer shall pay 100% of the Contract price at the time of placing an Order.



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- 3.3 Payment shall only be deemed received by the Seller from the Buyer upon receipt by the Seller of cleared funds net of any bank charges. Payment shall be made in full without any deduction, set off or abatement on any grounds.
- 3.4 The Seller shall be entitled to charge interest on overdue invoices from the date when payment becomes due from day to day until the date of payment at the Hong Kong High Court Judgment percentage rate for Hong Kong dollars per annum.
- 3.5 The Seller shall be entitled to charge any expenses and legal costs incurred by the Seller in recovering overdue amounts.
- 3.6 If payment of the price or any part thereof is not made by the due date, the Seller shall be entitled to:
 - 3.6.1 require payment in advance of delivery in relation to any Goods not previously delivered;
 - 3.6.2 refuse to make delivery of any undelivered Goods whether ordered under the contract or not and without incurring any liability whatever to the Buyer for non-delivery or any delay in delivery;
 - 3.6.3 terminate the contract.
- 3.7 No work will be carried out on a sale or return basis.

4. DESCRIPTION

Any description given or applied to the Goods is given by way of identification only and the use of such description shall not constitute a sale by description. For the avoidance of doubt, the Buyer hereby affirms that it does not in any way rely on any description when entering into the contract.

5. SAMPLE

Where a sample of the Goods is shown to and inspected by the Buyer save as described in Clause 6.2 below, the parties hereto accept that such a sample is so shown and inspected for the sole purpose of enabling the Buyer to judge for itself the quality of the bulk, and not so as to constitute a sale by sample.



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6. JOB SHEETS

- 6.1 The Seller will manufacture products solely in accordance with job sheets fully detailing the requirements of the Purchaser and approved in writing by the Buyer. The Buyer is responsible for ensuring that his requirements are complete in every respect and the Seller shall not be responsible for any unclear or incomplete detail on the job sheet. No further changes will be accepted following approval of the job sheet save only in the situation that the provision of samples have been agreed in the Contract.
- 6.2 Solely if agreed in the Contract, the Seller will submit to the Buyer one sample of the Goods based on an approved Job sheet for further approval by the Buyer. Any resultant changes necessary as a result of this sample shall be incorporated by the Seller onto the job sheet and the Buyer shall approve this in writing before production shall proceed.

7. DELIVERY

- 7.1 Unless otherwise agreed in writing, delivery of the Goods shall take place at the address specified by the Buyer on the date specified by the Seller. The Buyer shall make all arrangements necessary to take delivery of the Goods whenever they are tendered for delivery.
- 7.2 The date of delivery specified by the Seller is an estimate only. Time for delivery shall not be of the essence of the contract.
- 7.3 The Seller may deliver the Goods in instalments in any sequence. Deliveries of further instalments and performance of further sections may be withheld until the Goods comprised in earlier instalments and / or sections have been paid for in full. Default by the Seller, howsoever caused, in respect of one or more instalments shall not entitle the Buyer to terminate the Contract as a whole.
- 7.4 If the Seller is unable to deliver the Goods for reasons beyond its control, then the Seller shall be entitled to place the Goods in storage until such times as delivery may be effected and the Buyer shall be liable for any expense associated with such storage. In addition delivery of the Goods shall be deemed to have taken place and the Buyer is responsible for insurance when the Goods are in storage.
- 7.5 The Buyer shall be responsible for complying with any legislation or regulations governing the importation of Goods into the country of destination and for the payment of duties or taxes on them.



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8. RISK

- 8.1 Risk in the Goods shall pass to the Buyer at the moment the Goods are dispatched from the Seller`s premises. Where the Buyer chooses to collect the Goods itself, risk will pass when the Goods are entrusted to it or set aside for its collection, whichever happens first.
- 8.2 The Buyer shall be responsible for the insurance of the Goods from the time that the goods are ready for delivery as notified by the Company to the Buyer. Failure to do so shall be at the risk of the Buyer and the Seller shall take no responsibility for loss or damage.
- 8.3 The Seller shall make suitable arrangements for the carriage of the Goods. Goods will be packed so as to adequately protect against damage in normal conditions of transit of usual duration. Where, at the Buyer`s request, Goods are forwarded by any means involving a higher carriage charge than would be incurred by the Seller`s usual means of carriage, the additional cost shall be paid by the Buyer in addition to and at the same time as the price.

9. TITLE

Title in the Goods shall not pass to the Buyer until the Seller has been paid in full for the Goods.

10. WARRANTY

- 10.1 The Buyer is relying on its own skill and judgment in relation to the Work irrespective of any knowledge of the Seller or its servants, agents or employees or as to the purpose for which the Work is supplied or its suitability.
- 10.2 Subject to Clauses 10.1 and 10.3 the Seller warrants that all Goods shall upon delivery be of satisfactory quality and be reasonably fit for any purpose for which they are commonly supplied and that all Services shall be carried out with reasonable skill and care.
- 10.3 The warranty given in Clause 10.2 will not apply:
 - 10.3.1 where the defect complained of arises from any drawing, design, specification or IPR supplied by the Buyer or arises from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller`s instructions (whether oral or in writing or whether relating without limit to the fabrication (including, without limit, the



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- quality or performance of fabrics), operation, use or maintenance of the Goods), or misuse or alteration or repair of the Goods without the Seller's approval;
- 10.3.2 if the Seller or its agents is not permitted to safely inspect the Goods;
- 10.3.3 if the Contract price for the Goods has not been paid in full by the due date for payment;
- 10.3.4 to any parts, materials or equipment not manufactured by the Seller, in respect of which the Buyer shall only be entitled to the benefit of any warranty or guarantee is given by the manufacturer to the Seller; or
- 10.3.5 to any Goods which have been designated "seconds", "clearing" or specials.
- 10.4 The obligations of the Seller under the Contract are limited such that in the event of a breach by the Seller of the Warranty in Clause 10.2 or any defect in any Goods, the Seller shall only be obliged (and shall have no further liability in contract, negligence or otherwise for any defect in quality of the Goods or fitness for purpose of the Goods) at its option either to credit the price (if already paid) attributable to the faulty Goods or repair, rectify or replace the faulty Goods or Services provided that such Goods are returned or its agent in their delivered state at the Buyer's expense if so requested by the Seller.
- 10.5 Where the Goods have been manufactured and supplied to the Seller by a third party, any warranty granted to the Seller in respect of the Goods shall be passed on to the Buyer.
- 10.6 The remedies contained in this Clause are without prejudice to the other Terms and Conditions herein, including, but without limitation, Clauses 11 and 12 below.

11. LIABILITY

- 11.1 No liability of any nature shall be incurred or accepted by the Seller in respect of any representation made by the Seller, or on its behalf, to the Buyer, or to any party acting on its behalf, prior to the making of this contract where such representations were made or given in relation to:
- 11.2 No liability of any nature shall be accepted by the Seller to the Buyer in respect of any express term of this contract where such term relates in any way to:
- 11.2.1 the correspondence of the Goods with any description;
- 11.2.2 the quality of the Goods; or



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11.2.3 the fitness of the Goods for any purpose whatsoever.

11.3 All implied terms, conditions or warranties as to the correspondence of the Goods to any description or the satisfactory quality of the Goods or the fitness of the Goods for any purpose whatsoever (whether made known to the Seller or not) are hereby excluded from the contract.

12. LIMITATION OF LIABILITY

12.1 Where any court or arbitrator determines that any part of Clause 11 above is, for whatever reason, unenforceable, the Seller shall be liable for all loss or damage suffered by the Buyer but in an amount not exceeding the contract price.

12.2 Nothing contained in these Terms and Conditions shall be construed so as to limit or exclude the liability of the Seller for death or personal injury as a result of the Seller's negligence or that of its employees or agents.

13. INTELLECTUAL PROPERTY RIGHTS

13.1 All Intellectual Property Rights produced from or arising as a result of the performance of this Agreement shall, so far as not already vested, become the absolute property of the Seller, and the Buyer shall do all that is reasonably necessary to ensure that such rights vest in the Seller by the execution of appropriate instruments or the making of agreements with third parties.

13.2 The Buyer warrants that the use by the Seller of any IPRs, designs, specifications, drawings or other materials or information of any nature provided to the Seller by the Buyer pursuant to an Order shall not infringe any third party's IPRs and the Buyer shall indemnify the Seller against all actions, claims, costs, demands, expenses and liabilities of whatsoever nature suffered or incurred by the Seller as a result such claim or threatened claim brought against the Seller.

13.3 The Seller shall have the right to apply any trademarks and / or service marks to the Goods. The Buyer acknowledges that no rights are granted to the Buyer by the use by the Buyer of such trademarks, trade names and/or services marks. The Buyer shall not deface, remove or obliterate any trademarks, trade names or logos applied by the Seller on or in relation to the Goods.



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13.4 The Seller reserves the right to refuse to produce designs by the Buyer that the Seller considers to be offensive or illegal. The Buyer shall indemnify the Seller against all action in the future by third parties for such claims.

14. FORCE MAJEURE

The Seller shall not be liable for any delay or failure to perform any of its obligations if the delay or failure results from events or circumstances outside its reasonable control, including but not limited to acts of God, strikes, lock outs, accidents, war, fire, breakdown of plant or machinery or shortage or unavailability of raw materials from a natural source of supply, and the Seller shall be entitled to a reasonable extension of its obligations. If the delay persists for such time as the Seller considers unreasonable, it may, without liability on its part, terminate the contract.

15. TERMINATION

15.1 Without prejudice to any of its other rights the Seller may immediately terminate the Contract and demand payment due or accruing to the Seller whether under the Contract or otherwise, re-sell the Goods and / or withhold or cancel any deliveries if any of the following occurs or is likely to occur:

15.1.1 the Buyer is in breach of any of its obligations under the Contract which, if capable of remedy, the Buyer has not remedied within 30 days of receiving written notice from the Seller; or

15.1.2 the Buyer makes any voluntary arrangement with its creditors, becomes subject to an administration order, goes into liquidation, except for the purposes of amalgamation or reconstruction, a receiver is appointed over any of the property or assets of the Buyer; or the Buyer ceases to carry on business including, without limitation, the occurrence or sufferance of anything equivalent under any jurisdiction outside Hong Kong or the calling of any meeting or the passing of any resolution whether formal or informal for the purpose of proposing the taking any of foregoing steps.

16. RELATIONSHIP OF PARTIES

Nothing contained in these Terms and Conditions shall be construed as establishing or implying any partnership or joint venture between the



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parties and nothing in these Terms and Conditions shall be deemed to construe either of the parties as the agent of the other.

17. ASSIGNMENT AND SUB-CONTRACTING

The contract between the Buyer and Seller for the sale of Goods shall not be assigned or transferred, nor the performance of any obligation sub-contracted, in either case by the Buyer, without the prior written consent of the Seller.

18. WAIVER

The failure by either party to enforce at any time or for any period any one or more of the Terms and Conditions herein shall not be a waiver of them or of the right at any time subsequently to enforce all Terms and Conditions of this Agreement.

19. SEVERABILITY

If any term or provision of these Terms and Conditions is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if these Terms and Conditions had been agreed with the invalid, illegal or unenforceable provision eliminated.

20. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region of the People's Republic of China and the parties hereby submit to the exclusive jurisdiction of the Hong Kong courts.