

TERMS AND CONDITIONS OF SALES Aqseptence (China) Co., Ltd. (2022)

1. General Remarks

The present General Conditions of Sale (“the Conditions”) shall apply to all product orders accepted by Seller. Acceptance of orders is conditional upon Customer’s total and unreserved acceptance of the present Conditions, even where there are contrary Conditions of Purchase. The present Conditions specify the provisions and conditions under which Seller undertakes to fulfil any Order submitted by Customer and accepted by Seller and to supply Products that comply with the specifications detailed in the Order, in accordance with the commitments made by Seller under the present Conditions. Seller and Customer may, if necessary, add to or waive provisions in the present Conditions, in the Order or in any other document constituting Special Conditions of Sale.

2. Definitions

The term “Seller” shall mean Aqseptence (China) Co., Ltd. The term “Customer” shall refer to the person or company to whom the quotation is submitted. The term “Quotation” shall mean a technical/commercial quotation issued by Seller with which the present Conditions are enclosed. The term “Order” shall mean the contract negotiated between the Parties, consisting of the order submitted to Seller after acceptance of the Quotation by Customer. The term “Product” shall mean the equipment ordered by Customer and supplied by Seller, and all services related to the sale of said equipment.

3. Quotation / Order

The Quotation shall be drafted by Seller and sent to Customer for acceptance. However, the Quotation may be modified or cancelled by Seller at any time before its written acceptance by Customer. Once the Quotation has been accepted by Customer, the corresponding Order shall only be recorded if it is duly drafted in the form of an order form on Customer’s letterhead and signed by Customer. The Order shall not be final until written confirmation of its acceptance by Seller. Seller’s commitment shall be limited to the provision of the Products specified in the Quotation. In all cases, a contract for the sale or purchase of Products, containing the present Conditions, the Quotation, the Order and any other document agreed by the Parties, shall be final as soon as Seller accepts the Order forwarded by Customer.

4. Inspection / Delivery of Products

If an inspection of the Products has been agreed, to take place in Seller’s premises upon conclusion of manufacture, an adjournment of the inspection date by Customer shall not affect the payment terms set out in the Quotation and the Order, notably with regard to date of payment. These conditions shall remain unchanged. Unless expressly requested by Customer and accepted in writing by Seller, lead times and delivery dates shall be given for information purposes only and shall not constitute a firm commitment on Seller’s part. Should these times be exceeded, Customer shall not be entitled to cancel current Orders, refuse to accept Products, delay payment or claim damages or any

penalty payment for late completion. The Products ordered by Customer shall be deemed to have been delivered either when said Products are remitted directly to Customer or to a third party designated by Customer on Seller's premises, or when the Products are delivered by Seller at the address indicated by Customer if Seller is providing the transport of the Products at Customer's request. Unless otherwise agreed by the Parties, the transport of the Products and the related costs and risks shall be paid for by Customer. In the case of damage or loss, Customer shall file all necessary claims in accordance with the provisions stipulated below and shall take all conservation measures provided for by law. Packages shall be inspected and written reservations given to the carrier upon delivery of the Products and in the presence of the carrier and confirmed by Customer to carrier and Seller by means of a registered letter with acknowledgement of receipt within five (5) business days of delivery of the Products. Failure to do so shall result in the loss of Customer's entitlement to claim and Customer shall then bear all the consequences of such damage or loss. Should delivery be delayed for more than ninety (90) days for reasons ascribable to Customer, Customer shall pay all corresponding storage costs. The other payment terms agreed in the Quotation and Order shall remain unchanged.

5. Claims

Without prejudice to the measures that may be taken against the carrier, claims relating to the nature, quantity or non-conformity of the Products received by Customer in comparison to the Order or delivery note shall be sent to Seller, in writing, within twenty (20) days of delivery of the Products, before the initial condition of any of said Products has undergone change (with the exception of reasonable quantities used for testing and inspection purposes). All claims must include a reason for said complaint. They shall not entitle Customer to delay payment for Products delivered that comply with the Order. If no notification has been sent to Seller within the aforesaid twenty (20) days or if said Products have been used (other than reasonable quantities used for testing and inspection purposes), it shall be reasonable to assume that Seller has fulfilled its obligations in a satisfactory manner. RETENTION OF TITLE AND TRANSFER OF RISKS: THE PRODUCTS INDICATED IN THE ORDER AND DESCRIBED IN THE PRESENT CONDITIONS SHALL BECOME CUSTOMER'S PROPERTY ONCE FULL PAYMENT HAS BEEN MADE FOR SAID PRODUCTS. This clause shall apply notwithstanding any contrary stipulation that may be contained in Customer's General Conditions of Purchase. The transfer of risks to Customer shall take place upon delivery of the Products as defined in Article 4 herein above.

6. Price

Unless otherwise stipulated in writing, the prices indicated in the Quotation shall be firm and final. They shall be given in RMBs including VAT, customs duties and all other taxes, based on the cost of labor and materials at the date of the Quotation. Carriage is included in the prices of Products.

7. Payment

Seller may request the payment of all or some of the price of the Products when the Order

is submitted. Unless otherwise stipulated, payment shall be required from Customer Fifteen (15) days after the date of issue of the Seller invoice corresponding to a given delivery. Payment shall be made by bank transfer. Unless otherwise stipulated in writing, no discount shall be granted for early payment and there shall be no reduction or markdown. Compliance with payment conditions by Customer is an essential obligation on the part of Customer. If Customer fails to make payment at due date, Seller shall be entitled to refuse to make other deliveries until Customer has rectified the situation or, if preferred, Seller may decide to continue deliveries despite the absence of payment without this decision constituting a waiver to Seller's right to file a claim for non-payment or affecting the recourse open to Seller in this respect. Any late payment shall lead, as of right and without any prior final demand, to the payment of interest of an amount equal to three times the legal interest rate, and to the payment of the statutory lump-sum indemnity corresponding to debt collection costs or to the payment of a greater indemnity if such an increase is justified. If a change occurs in Customer's financial or legal circumstances, whatever the reason for same, and if this change is liable to affect Customer's solvency, Seller shall reserve the right to ask Customer for any guarantee that Seller deems fit or, if such is not forthcoming, to refuse to undertake any delivery.

8. Warranties

(A) Seller guarantees that the Products sold shall be free from all defects in materials or manufacture for two (2) year as of their delivery date. The aforesaid guarantee shall not apply to the following: (I) Products that are worn, repaired or reworked; (II) Products that have been modified or been incorrectly handled, stored, installed, used or maintained by Customer, notably as a result of the use of spare parts not expressly recommended by Seller; (III) Spare parts manufactured by a third party, other than Seller, whether purchased by Seller or supplied by Customer, such parts being covered by the manufacturer's warranty; (IV) Parts requiring replacement as a result of normal wear and tear (V) Models or samples supplied to Customer merely to illustrate the general properties of a Product.

(B) In the case of a defect or non-conformity in the Products sold compared to the Quotation or the specifications forwarded by Customer and accepted by Seller, Seller's liability shall be expressly limited to the repair or replacement, at Seller's discretion, of any Products or components of the Products that are shown to be defective or non-conforming during the warranty period.

9. Limited Liability

With the exclusion of reparation for physical damage, seller's overall liability shall be limited to the repair of any damage resulting directly and solely from fault on the part of seller. In no event will recovery of any kind against seller exceed the purchase price (excluding tax) of the products which are said to have caused the alleged damage. Seller shall not be held liable with regard to expected profits or any damages occurring, even if indirect or subsidiary, including, and for information purposes only, shutdowns to premises, losses of profit or interruption to business, whether said claim or court action is based on contractual or other liability.

10. Modification and Cancellation

Seller shall reserve the right to refuse any Order placed by Customer, including changes made by Customer. Any change to an Order may give rise to a price review. Customised Orders and Orders designed specifically for Customer cannot be cancelled once the manufacturing materials have been ordered and/or production has commenced. Any cancellation of Order shall incur costs corresponding to the materials ordered and the time spent in design and manufacture up to the date of cancellation.

11. Counterfeit Goods

None of the provisions in the present Conditions shall be interpreted as granting Customer any of Seller's existing or future intellectual property rights. If the Products are to be manufactured by Seller in accordance with specifications or drawings supplied by Customer, Customer shall indemnify Seller and hold Seller harmless for any losses, damages or prejudices resulting from a claim or legal proceedings on grounds of counterfeiting or an alleged breach of a patent issued in China or in any other country connected with the Products. In this case, Customer shall be responsible for providing the defence in the said proceedings and for all related expenses. This obligation shall remain in effect for as long as the Product supplied by Seller is used or is likely to be used, notwithstanding any termination or cessation of contract.

12. Termination

In the case of non-compliance with any of the clauses in the contract subject to the present Conditions, it shall be terminated as of right without any legal formalities, if deemed appropriate by the injured party, thirty (30) days after receipt of a formal notice to comply sent in the form of a registered letter with acknowledgement of receipt to the defaulting Party but remaining without effect. Such termination shall not prejudice any claims for damages on the part of the injured party. The contract shall also be terminated as of right by Seller without any prior final demand if Customer repeatedly delays payments or if Customer is subject to bankruptcy proceedings, if liquidators are appointed, if an application has been made for the appointment of liquidators or if Customer transfers its rights and obligations under the present Conditions to its creditors.

13. Force Majeure

Seller shall be held harmless for any losses or damages, whatever their nature, incurred or suffered as a result of a fault or delay in completion of an order for reasons or circumstances outside Seller's control notably, and for information purposes only, a fault or delay in performance caused by an industrial dispute, fire, natural disaster or terrorist act, riot, arson, intervention on the part of civilian or military authorities or any other case in which an unforeseeable, compelling event occurring after the signature of the contract and outside the parties' control may shut down or reduce the manufacture or transport of the Products or prevent the normal completion of the Order. Seller shall make its best efforts to make partial deliveries to all its Customers. If said event extends for a continuous period of more than two (2) months as of the initially scheduled delivery date, the Parties

agree to meet and try to find a solution to the situation. Where no such agreement can be reached, each Party shall be entitled to terminate any Order delayed for reasons of force majeure under the terms of the present clause as of right and without indemnity.

14. Exportation and Importation

Customer shall not sell, supply, export, re-export, transfer, divert, lend, rent, deposit or transfer in any other way, directly or indirectly, any equipment, products, services, software programs, source codes, technical data or technologies received from Seller to or through any person, entity or destination or for the purposes of an activity or end use limited by law or statute in China or any other territory without obtaining all necessary permits from the authorities. No commercial transaction organizing the transport, sale or re-sale of Products by Seller to countries subject to an embargo or boycott or subject to any export restrictions on the part of China shall be considered as having been validly agreed. The drafting of a Quotation requires Customer to divulge the final geographical destination and the final recipient of the Product being ordered. Modification of this information at a later date may lead to a ban. In the absence of any declaration relating to this information or in the case of a false declaration by Customer, Customer shall hold Seller harmless for all consequences that may result from non-compliance with these provisions.

15. Applicable Law and Dispute Resolution

Unless specifically agreed, the contractual relationship between Seller and Customer, including the present Conditions, are subject to Chinese law, with the exception of rules on conflict of laws that might require the application of laws from another jurisdiction. In the case of dispute relating to the existence, validity, interpretation or performance of contractual relations between Seller and Customer, the Parties shall attempt to settle their differences out of Court, in all good faith. Where no out-of-Court settlement can be reached, the Parties agree to submit their dispute to the court at Huzhou city.