

General Sales Terms and Conditions

Article 1 Definition

ACTIN PACIFIC LTD:

Services: the services delivered or to be delivered by ACTIN PACIFIC LTD
Customer: the counterparty or potential counterparty of ACTIN PACIFIC LTD
Agreement: the agreement between ACTIN PACIFIC LTD and the Customer
Conditions: these general terms and conditions of ACTIN PACIFIC LTD
Goods: the goods delivered or to be delivered by ACTIN PACIFIC LTD

Article 2 General

2.1 These Conditions are applicable to all offers, agreements and other legal relationships whereby ACTIN PACIFIC LTD acts as consultant, seller or potential seller of Goods and/or as provider or potential provider of Services.

2.2 Stipulations deviating from these conditions or from an agreement are only valid when made by means of an explicit written further agreement.

2.3 In case of a conflict between the English text of these conditions and any translation thereof, the English text shall be binding.

2.4 Whenever "written" or "in writing" is used in these conditions, it shall also mean by fax, e-mail or any other electronic medium.

Article 3 Offers and conclusion of agreement

3.1 All offers by ACTIN PACIFIC LTD are made without engagement.

3.2 If an offer contains a term for the acceptance thereof, such term does not bind ACTIN PACIFIC LTD Article 3.1 remains applicable in such case.

3.3 ACTIN PACIFIC LTD is not bound by any deviations from ACTIN PACIFIC LTD's offer contained in the acceptance thereof by the Customer, however small such deviations may be. In such case, the agreement is deemed to be concluded on the terms and conditions as stipulated in Actin Pacific Ltd's offer, provided that ACTIN PACIFIC LTD has always the right to honour one or more (or all) deviations proposed by the Customer.

3.4 ACTIN PACIFIC LTD is at any time entitled to terminate negotiations with a Customer without any damages being due by ACTIN PACIFIC LTD. Negotiations can be terminated by ACTIN PACIFIC LTD without reason.

3.5 Accepted offers, confirmed by whatever means, are seen as an agreement and a written confirmation is not needed to confirm the agreement.

Article 4 Delivery

4.1 The agreement will be executed according to ACTIN PACIFIC LTD's best understanding and ability and in accordance with good workmanship.

4.2 The customer shall ensure the timely provision to ACTIN PACIFIC LTD of all information that ACTIN PACIFIC LTD may specify to be necessary, or which the customer may reasonably be expected to understand to be necessary, for the execution of the agreement.

4.3 If the information required for the execution of the agreement is not provided to ACTIN PACIFIC LTD in time, ACTIN PACIFIC LTD shall have the right to suspend the execution of the agreement and/or charge the customer all the extra costs arising due to the delay, at the usual rates.

4.4 If third parties have to be engaged to ensure the proper execution of the agreement, and this engagement is not part of the agreement, the Customer will be asked for approval in advance.

4.5 Unless explicitly agreed otherwise in writing, all deliveries of goods are made Ex Works (INCOTERMS 2000).

4.6 The customer is obliged to accept delivery of the goods and/or the services at the moment on which such goods and/or services are being offered for delivery to him. The risk of all goods and/or services passes to the customer as from that moment.

4.7 If a customer rejects any goods that are offered to him for delivery, ACTIN PACIFIC LTD is entitled but never obliged to store (or arrange for the storage by a third party) such goods or part thereof at the customer's expense and risk. The customer agrees to reimburse ACTIN PACIFIC LTD any and all costs connected with such storage and the related costs of transport at the first request of ACTIN PACIFIC LTD.

4.8 If an agreement contains a composed pricing, ACTIN PACIFIC LTD is never obliged to deliver part of the goods and/or render part of the services against the corresponding price.

Article 5 Delivery periods

5.1 Delivery dates provided by ACTIN PACIFIC LTD shall only serve as an estimate and are never firm dates. ACTIN PACIFIC LTD shall not be in default unless it has received a written notice of default specifying a reasonable time for delivery and has failed to comply within such specified time.

5.2 ACTIN PACIFIC LTD is at all times entitled to deliver in consignments and to invoice such deliveries separately.

5.3 ACTIN PACIFIC LTD may suspend the execution of the agreement related to the next phase, until the customer has approved the results of the previous phase.

Article 6 Technical standards and requirement and regulations set by authorities

ACTIN PACIFIC LTD shall not be responsible or liable for any damage if goods and/or services do not comply with technical standards and/or requirements and/or regulations by authorities or otherwise, unless such standards and/or requirements and/or regulations are explicitly specified in the agreement. This provision also applies if ACTIN PACIFIC LTD was aware of the intended use of the goods and/or the circumstances under which the goods will be used.

Article 7 Samples, models, intellectual property and secrecy

7.1 Unless it has been explicitly agreed in writing otherwise, all samples and models provided by ACTIN PACIFIC LTD to the customer only serve as an indication, to which the goods or services do not necessarily need to conform. The goods and/or services to be delivered may deviate from the samples and models provided by ACTIN PACIFIC LTD to the customer.

7.2 If a customer recommends, requests or prescribes the use or application of a certain model, design, pattern, scheme, text, drawing, calculation, image, (trade) mark, logo or the like, the customers represents and warrants that such use or application does not infringe on any intellectual or industrial property right of any third party and the customer shall hold harmless and indemnify ACTIN PACIFIC LTD from and against any and all claims and damages in this respect.

7.3 ACTIN PACIFIC LTD and the customer are bound to maintain secrecy about all confidential information that they may obtain within the framework of the agreement from each other or from other sources. Information shall be regarded as confidential if the same is notified by the other party as such, or if this follows from the nature of the information.

Article 8 Prices

8.1 Unless it has been explicitly agreed in writing otherwise, all prices are in US Dollars. Eventual calculated and/or offered prices in Euros (EUR) or RMB, are based on the official published currency exchange rate for the applicable date, by the Bank of Hong Kong.

8.2 Unless it has been explicitly agreed in writing otherwise, all prices for delivery of goods are based on delivery Ex Works (INCOTERMS 2000).

8.3 Unless it has been explicitly agreed in writing otherwise, all prices are exclusive of costs for transport, packaging, delivery, insurance, and installation.

8.4 Unless it has been explicitly agreed in writing otherwise, all prices are exclusive of costs for third parties who have been engaged to ensure the proper execution of the agreement.

8.5 Unless it has been explicitly agreed in writing otherwise, all prices are exclusive of VAT and exclusive of all import and export taxes and all other possible levies and taxes. Customer shall reimburse ACTIN PACIFIC LTD for any and all taxes and levies paid by ACTIN PACIFIC LTD in respect of the goods.

8.6 ACTIN PACIFIC LTD is entitled to pass all or part of possible price increases of raw, auxiliary and other materials, labour, insurance, exchange rates and other factors relevant to the agreement which have occurred after the offer and/or the agreement on to the customer.

8.7 Possible extra costs resulting from amendments to the agreement (including but not limited to amendments to the goods to be delivered or the delivery dates) are always for the account of the customer, whether or not such extra costs were known at the time of the amendment and whether or not the customer had been made aware of such extra costs at the time of the amendment.

8.8 In case of an order or extra order for goods that are identical to goods that have been or will be delivered pursuant to an earlier agreement, the customer cannot claim that such order or extra order shall be accepted on the basis of the prices stipulated in such earlier agreement.

Article 9 Fees

9.1 Unless it has been explicitly agreed in writing otherwise, all fees are in US Dollars. Eventual calculated and/or offered prices in Euros (EUR) or RMB, are based on the official published currency exchange rate for the applicable date, by the Bank of Hong Kong.

9.2 If no fixed fee is agreed, the fee will be based on the agreed hourly rate and the actually worked hours.

9.3 Unless it has been explicitly agreed in writing otherwise, all prices are exclusive of costs for express mail deliveries and more than two copies of the reporting.

9.4 Unless it has been explicitly agreed in writing otherwise, all prices are exclusive of costs for third parties who have been engaged to ensure the proper execution of the Agreement.

9.5 ACTIN PACIFIC LTD is entitled to increase the fee, due to possible price increases labour, insurance, exchange rates and other factors relevant to the agreement which have occurred after the offer and/or the agreement on to the customer.

9.6 Possible extra costs resulting from amendments to the agreement (including but not limited to amendments to the services to be delivered or the delivery dates) are always for the account of the customer, whether or not such extra costs were known at the time of the amendment and whether or not the customer had been made aware of such extra costs at the time of the amendment.

Article 10 Payment

10.1 Unless it has been explicitly agreed in writing otherwise, payment has to be made by the customer in case of delivery of goods, before delivery onboard at the port of departure (Shanghai or other if agreed), in case of delivery of services, 7 days after receiving the invoice, on one of the bank accounts mentioned in the invoice.

10.2 Payment by the customer shall exclusively be made in the currency set out in the invoice.

10.3 Payment shall be made without set off, discount or suspension.

10.4 If payment has not been received by the due date, the customer shall automatically be in default without any notice of default being required. As from that moment until payment in full, compound interest of 1% per month is due over the unpaid balance, unless the interest to be paid but for this Article 10.4 would be higher, in which case such higher interest is due. All of the foregoing is without prejudice to any other rights and remedies that ACTIN PACIFIC LTD has on the basis of the agreement, these conditions and the law.

10.5 Any and all costs with respect to payment (including but not limited to costs with respect to the provision of security) shall be for the account and expense of the customer.

10.6 In case of bankruptcy, suspension of payments or liquidation of the customer or exceeding of the payment date of any invoice, all claims of ACTIN PACIFIC LTD become immediately due and payable.

10.7 All extra-judicial costs, including but not limited to costs relating to demands for payment, costs for and relating to (settlement) negotiations and costs relating to the preparation of a possible judicial procedure, as well as all judicial costs made by ACTIN PACIFIC LTD as a result of the customer not or not timely complying with its obligations, are for the account and expense of the customer. The customer undertakes and agrees to reimburse ACTIN PACIFIC LTD all such costs upon request.

10.8 Payments by the customer shall be deemed to have been made first to settle the costs referred to in Article 10.5, and 10.7, thereafter to settle the interest referred to in Article 10.4 and finally to settle that part of the unpaid invoices as indicated by ACTIN PACIFIC LTD, irrespective of any other instructions by or on behalf of the customer.

Article 11 Security

In case ACTIN PACIFIC LTD has good reason to believe that the customer will not strictly or not timely fulfil all of its obligations vis-à-vis ACTIN PACIFIC LTD, the Customer is obliged to provide at ACTIN PACIFIC LTD' first request satisfactory security in a form requested or approved by ACTIN PACIFIC LTD (including but not limited to a bank guarantee) and/or at ACTIN PACIFIC LTD' first request replace or supplement existing security. If such security or extra security has not been provided within 7 days after ACTIN PACIFIC LTD' request, all consequences of non-fulfilment of obligations come into effect without any further demand or notice being required.

Article 12 Retention of titles

12.1 ACTIN PACIFIC LTD retains title to goods and/or services delivered or to be delivered, until the customer has fulfilled all of its obligations with respect to all goods and/or services delivered or to be delivered under the agreement, including but not limited to the obligations of the customer relating to breach of contract. The property law aspects of retention of title that are intended to be exported will be governed by the laws of the country of destination, unless ACTIN PACIFIC LTD decides otherwise.

12.2 The customer is not entitled to pledge or otherwise encumber the goods of which ACTIN PACIFIC LTD has retained title. Disposal of such goods is only allowed in the ordinary course of business, whereby the customer acts in its own name, but as mandatory for the account of ACTIN PACIFIC LTD. The customer shall immediately notify ACTIN PACIFIC LTD in writing, if third parties exercise or vest rights (including but not limited to rights of attachment) to the goods referred to under Article 12.1 or if the customer knows or has reason to believe that third parties may exercise or vest such rights on such goods.

12.3 If the customer uses the goods referred to under Article 12.1 to create new goods, such new goods are goods which have been created for ACTIN PACIFIC LTD as owner and the customer shall keep such goods for ACTIN PACIFIC LTD, until the customer has fulfilled all its obligations referred to under Article 12.1.

12.4 The customer is obliged to take out sufficient insurance with respect to the goods referred to in Article 12.1 and keep such goods sufficiently insured against all possible risks. At the first request of ACTIN PACIFIC LTD, the customer shall submit the insurance policy for inspection to ACTIN PACIFIC LTD.

12.5 In case the customer fails to fulfil any of its obligations, ACTIN PACIFIC LTD has the right to repossess the delivered goods. The customer herewith unconditionally and irrevocably authorizes ACTIN PACIFIC LTD and/or third parties designated by ACTIN PACIFIC LTD to enter all of those premises which are necessary or conducive to be entered in connection with the exercise by ACTIN PACIFIC LTD of its ownership and other rights. All costs relating to this exercise of rights by ACTIN PACIFIC LTD shall be borne by the customer.

Article 13 Complaints

13.1 In case of visible defects to the goods, the customer must immediately upon delivery submit a complaint in writing to ACTIN PACIFIC LTD. If customer does not do so, the customer forfeits all of its rights in respect to such defects. In case of defects which are not directly visible, the customer must immediately upon discovery submit a complaint in writing to ACTIN PACIFIC LTD. Notwithstanding the previous sentence, the customer forfeits in any way all his rights with respect to such defects if he has not submitted his complaint in writing within eight days after discovery of the defects or within eight days after he could reasonably have discovered the defects. Failing submission of any complaints within the time periods stipulated in this Article 13.1, the goods are deemed to have been accepted by the customer. Goods subject to a complaint made in accordance with this Article 13.1 must be returned to ACTIN PACIFIC LTD at the expense of the customer, unless ACTIN PACIFIC LTD has indicated otherwise.

13.2 Without prejudice to Article 13.1, a customer can in any way not make any complaints with respect to delivered goods after he has in whole or in part, used such goods or processed such goods, has delivered such goods to third parties or has made such goods available to third parties or has, implicitly or explicitly, accepted such goods.

13.3 Even if the customer has timely submitted a complaint, the customer remains obliged to pay the invoice(s) related to such goods and remains obliged to accept and pay for possible other goods (whether identical to the goods subject to a complaint or not) ordered by him.

13.4 If a complaint as referred to in this Article 13 is considered to be justified by ACTIN PACIFIC LTD, ACTIN PACIFIC LTD is, at its own discretion, only obliged to either deliver the missing part(s) or quantity, to replace the goods delivered or to credit the customer the purchase price for the relevant goods, all the foregoing against delivery of the relevant goods subject to complaint to ACTIN PACIFIC

LTD if ACTIN PACIFIC LTD so desires. The customer is obliged to follow the instructions by ACTIN PACIFIC LTD with respect to the storage or return of the relevant goods.

13.5 Without prejudice to the other provisions in the agreement or in these conditions, any claim based on the argument that the goods delivered by ACTIN PACIFIC LTD do not conform to the agreement expires 1 year after delivery to the customer.

13.6 Without prejudice to the other provisions in the agreement or in these conditions, the customer recognizes and agrees that not all goods to be delivered will be inspected prior to delivery, unless explicitly agreed otherwise in writing.

Article 14 Limitations of liability

14.1 Except in cases of wilful intent or gross negligence of ACTIN PACIFIC LTD or its directors, ACTIN PACIFIC LTD shall not be liable for any damage or losses. ACTIN PACIFIC LTD shall not be liable for damage or losses resulting from wilful intent or gross negligence by any of its employees or persons (e.g. agents) for whom ACTIN PACIFIC LTD bears or would bear legal liability.

14.2 ACTIN PACIFIC LTD shall never be liable for consequential damage or losses, including but not limited to loss of profits, incurred losses and costs, loss of contracts, loss of savings and losses resulting from the fact that marketing or promotional activities or campaigns could not take place or could not take place on the scheduled date(s).

14.3 ACTIN PACIFIC LTD's liability is at all times limited to the amount invoiced by ACTIN PACIFIC LTD for the relevant goods or, in case the liability is (ultimately) caused by legal or other acts by third parties and/or breach of contract by third parties, to the amount that ACTIN PACIFIC LTD can recover from such third parties. In case ACTIN PACIFIC LTD is insured against the damage and losses for which a claim is made, is, without prejudice to the foregoing, the liability of ACTIN PACIFIC LTD in any way limited to the amount that will be paid out under such insurance. ACTIN PACIFIC LTD is not obliged to enforce its rights under any insurance policy.

14.4 ACTIN PACIFIC LTD stipulates all legal and contractual rights and defences which it can invoke in respect of its liability towards the customer also for the benefit of all those persons which are engaged in the execution of the agreement.

14.5 Except as otherwise expressly provided herein, ACTIN PACIFIC LTD makes no warranties express or implied and expressly disclaims warranties of fitness for a particular purpose, and ACTIN PACIFIC LTD shall not be liable for incidental or consequential damages in any case of nonconformity or arising from any alleged or actual breach of this agreement.

Article 15 Force majeure

15.1 In case the fulfilment of any of its obligations by ACTIN PACIFIC LTD is, wholly or partly, permanently impossible because of force majeure, both ACTIN PACIFIC LTD and the customer have the right to dissolve the agreement in whole or in part. The customer is not entitled to damages.

15.2 In case the fulfilment of any of its obligations by ACTIN PACIFIC LTD is, wholly or partly, only temporarily impossible, the customer is only entitled to dissolve the agreement in case fulfilment of the obligations by ACTIN PACIFIC LTD remains impossible for a consecutive period of 6 months. The last full sentence of Article 15.1 is applicable.

15.3 The term 'force majeure' includes but is not limited to: shortage of raw and auxiliary materials for the production of the goods, strikes and other labour conflicts, shortage of labour, breach of contract by (direct and indirect) suppliers of ACTIN PACIFIC LTD, all circumstances which disrupt the normal business of ACTIN PACIFIC LTD and/or its suppliers, transport problems, import and export restrictions and all situations, facts, circumstances and reasons which fall under force majeure under Chinese law and/or the country where are produce the goods or part of them.

15.4 In case ACTIN PACIFIC LTD has, at the beginning of the situation of force majeure, already fulfilled part of its obligations or if ACTIN PACIFIC LTD is still able to fulfil part of its obligations despite the force majeure, ACTIN PACIFIC LTD is entitled to payment in respect of the obligations it has already fulfilled and is also entitled to fulfil the obligations which it is able to fulfil and payment in respect of such obligations as if there was a separate agreement.

Article 16 Governing law and competent courts

16.1 All legal relationships between ACTIN PACIFIC LTD and the customer are governed by Hong Kong law without regard to the provisions of the Vienna Sales Convention.

16.2 Any and all disputes between ACTIN PACIFIC LTD and the customer shall be exclusively submitted to the competent court in Hong Kong, provided that ACTIN PACIFIC LTD is always entitled to submit a dispute to the competent court in the place of domicile, place of incorporation and/or place of business of the customer.