



GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

1. Sale & Quotation

- 1.1. Unless otherwise agreed in writing, all sales offers under the attached quotation (“**sales offer**”) from ViscoTec Hong Kong Limited (“**ViscoTec**”) are valid for a period of 30 days commencing on the date of issuance of the quotation (“**valid period**”).
- 1.2. Prices in the sales offer are only for the quoted quantities. Any subsequent changes in any material, quantity of items, manufacturing technique or specification of pump to be delivered by ViscoTec will be quoted in a separate or new quotation.
- 1.3. Drawings and samples enclosed with any quotation shall remain the property of ViscoTec. The Customer shall treat all drawings and samples confidential and shall not infringe on the intellectual property rights contained in any item and material such as goods, sample, drawing instruction (hard copies, electronic records, or otherwise) etc. of ViscoTec. If a Customer is aware of or find any infringement or possible infringement of any of ViscoTec’s intellectual property rights, the Customer shall immediately inform ViscoTec.
- 1.4. In case the Customer within the valid period confirms the sales offer of ViscoTec, signs and stamps thereon and send cash sales offer back to ViscoTec, the sales offer and its attachments shall be deemed as expressly agreed and accepted by the Customer and shall be deemed as a sale and purchase agreement concluded between the parties (“**Sales Contract**”) and taking full legal effect. All attachments of the Sales Contract including these General Terms and Conditions of Sale and Delivery (“**General Terms and Conditions**”) shall be an integral part of the Sales Contract which shall be deemed to be an entire agreement between the parties. If there is any inconsistency between the sales offer or other attachment enclosed, the General Terms and Conditions shall prevail.

2. Payment

- 2.1. Except of prepayment, all other modes of payment shall be separately agreed upon in advance in the Sales Contract in writing.
- 2.2. The mode of payment for prepayment is Telegraphic Transfer (TT).
- 2.3. Any bank charges incurred by the payments of the Customer have to be borne by the Customer.
- 2.4. Until full payment of goods is received by ViscoTec, the delivered goods remain the full property of ViscoTec. (Also, in case that the delivered goods are already built in or integrated in any project under construction or other equipment and machines, the title and right of ownership of such goods shall be retained and still vest in ViscoTec absolutely).



3. Delivery

- 3.1. The Customer will be notified of the shipment date via the order confirmation by ViscoTec. Shipment date notified by ViscoTec shall only be estimated shipment date but not conclusive. The final and exact shipment date will be confirmed upon readiness of shipment.
- 3.2. The Customer shall provide the information of the logistics company designated by it to ViscoTec immediately upon conclusion of the Sales Contract.
- 3.3. Should the delivery be delayed owing to force majeure or any unforeseen circumstances, ViscoTec will inform the Customer at the earliest time possible.
- 3.4. If the shipment is delayed at the request of Customer, or if any item of goods is not picked up by the logistics company designated by the Customer within 10 days upon the delivery date as designated in the Sale Contract or as amended subsequently, the Customer shall bear all related costs incurred therefrom, including but not limited to storage costs.
- 3.5. The goods shall be deemed as delivered once ViscoTec has delivered the goods to the Customer or its designated logistics company at the Customer's request at ViscoTec's specified place of delivery stated in writing under the Sales Contract. Upon delivery as aforesaid, the risk of damage or loss of the goods shall pass to and be borne by the Customer from the time of delivery. (The fact that ViscoTec is authorized to retain documents (if applicable) controlling the disposition of the goods does not affect the passing of risk to the Customer.) Loss or damage to the goods after the risk has passed to the Customer does not discharge it from its obligation to pay, unless the loss or damage is occasioned by or attributable to an act, failure or omission of ViscoTec.

4. Warranty

- 4.1. The warranty period of non-wearing parts is 12 months upon delivery, unless any mandatory law requires a longer warranty period. Wearing parts are excluded from the warranty. The wearing parts include, but not limited to, the following parts:
 - Stator;
 - Rotor;
 - Rubber parts; or
 - Sealing assemblies.
- 4.2. The Customer shall carefully inspect whether the delivered goods have any external defect or quality deficiency ("**Apparent Defect**") or any quantity deficiency immediately after delivery of the goods and not later than seven (7) working days after the delivery ("**Inspection Period**"). Should any Apparent Defect or quantity deficiency be found, the Customer shall notify ViscoTec in writing within the Inspection Period. Should the Customer fail to identify Apparent Defect or any quantity deficiency or raise objection with respect to the quality or quantity to ViscoTec, within the Inspection Period, the delivered goods shall be deemed as without any Apparent Defect or quantity deficiency and complying with the contractual agreements to such extent.



- 4.3. Products of ViscoTec are designed and manufactured according to CE-standards. “Conformité Européenne” French for “European Conformity”. This is a required mark for products sold and marketed in the EU (European Union).
- 4.4. ViscoTec does not warrant and is not responsible for any technical processes of its products but is responsible for the proper functions of the products of ViscoTec only.
- 4.5. Any damages resulting from any improper operation, replacement of, modification or adjustment to any part of system of ViscoTec’s products shall be excluded from the scope of the warranty. Any failure or damage resulted from any operation deviation from the “Product Operation Manual and Requirements” attached hereto as Attachment (delivered with the whole equipment together) or from any discrepancy between the Customer’s requirements and technical parameters agreed upon under the Sales Contract shall be excluded from the scope of warranty. All damage resulting from misuse, e.g., external damage or dry-run of the pump, shall be also excluded from the scope of warranty. Such misuse and improper operation shall include but not be limited to the following circumstances:
- High pressure of material feeding
 - Hight rotating speed of pump
 - Break of flexible shaft, resulted from high flexible shaft torque within pump due of external reason
 - Dry-run of pump resulted from insufficient material feeding
- 4.6. ViscoTec has the right to do thorough analysis on the damaged part of request the Customer to provide independent inspection report issued by a third inspection institution recognized by ViscoTec before the warranty clause is implemented. The decision on whether the warranty will be granted will be made on the basis of the results of the said analysis or inspection report.
- 4.7. ViscoTec shall be entitled to decide whether to repair the defective item or provide a replacement free of charge within a reasonable period of time. Before a replacement is provided to the Customer, the Customer shall first return the defective item to ViscoTec as the property of ViscoTec.

5. Remedies

- 5.1. In the event that either party breaches the terms in the Sales Contract, it shall be obliged to immediately pay the other party a contractual compensation by way of liquidated damages (but not as a penalty) in a sum equivalent to five percent (5%) of the Sales contract amount to cover its loss without prejudice to any additional or higher amount of compensation evidenced and be claimed by the non-breaching party (but subject to clause 6 “Liability Limitation” below in the event ViscoTec is the breaching party, which shall prevail) nor to its rights of seeking specific performance or compulsory remedies for such breach of contract. It is acknowledged by the contracting parties hereto that the amount of liquidated damages is a genuine pre-estimate of the loss and damage that would be suffered by the non-breaching party.
- 5.2. For each day of delay in payment by the Customer, in addition to the contractual compensation (if any) as stipulated in the above provision to be paid to ViscoTec, the Customer shall further pay ViscoTec a default interest to be calculated at a flat rate of eight percent (8%) per annum based on the outstanding amount. If the delay of any



payment instalment to be made by the Customer has exceeded one month, ViscoTec shall be entitled, at ViscoTec absolute discretion, to claim for return of the goods purchased by the Customer and compensation for economic loss for breach of contract.

6. Liability Limitation

In case of any breach of contract by ViscoTec, which causes loss or damage to the Customer, the compensation for damage shall be limited to the reasonable direct loss that is foreseeable by ViscoTec. Unless otherwise provided for by law, ViscoTec shall not assume liability for any indirect or consequential losses of the Customer resulted from the breach of contract by ViscoTec (including but not limited to loss of profit, increase of production costs, loss or production, claims by third parties, whether such losses are based on liability for breach of contract, liability for tort or other reasons). The maximum amount of liability above shall not exceed ten percent (10%) of the Sales Contract total amount. Liability of ViscoTec for personal injury of the Customer due to the breach of contract by ViscoTec and liability of ViscoTec for loss of property of the Customer out of intention or gross negligence of ViscoTec shall not be subject to the liability limitation hereunder.

7. Force Majeure

- 7.1. "Force Majeure" shall mean all events, which occur after the Sales Contract takes effect which are unforeseeable, unavoidable or unsurmountable by either party to the contract. Such events shall include but not limited to, earthquake, typhoon, flood, fire, other natural disasters, war, riot, hostility, public disturbance, act of public enemy, prohibition or act of any government authority or public institution strike or other work stoppage, illness, infectious diseases (including SARS, bird flu, H5N1, H7N9 or other variants, COVID-19 or other epidemic, pandemic or other infectious diseases) or any other events or impediment that are unforeseeable, unpreventable or uncontrollable, including those that are recognized as force majeure in general international business practices.
- 7.2. In case of any force majeure event, the party suffering from or subject to such event(s) may suspend the performance of its obligations under the Sales Contract within the duration of delay caused by the force majeure and the performance period may automatically be extended according to the period of suspension, and such party is not required to pay penalty, compensation damages or interest, or assume any liability for non-compliance of the terms of the Sales Contract for any damages suffered by the other party owing to such suspension.
- 7.3. The party claiming force majeure shall immediately notify the other party and provide evidence of the occurrence and duration of the force majeure within a reasonable time thereafter. The party claiming force majeure shall further use its best endeavors to mitigate the impact of the force majeure on the Sales Contract.
- 7.4. In the event of force majeure, both parties shall immediately communicate with each other to find a fair solution and shall use their best reasonable efforts to minimize the impact of the force majeure event.



8. Termination of Contract

- 8.1. The Customer may not cancel any confirmed order, in whole or in part. However, ViscoTec may negotiate and reach an amicable settlement with the Customer on a case-by-case basis after receiving a written notice from the Customer about the cancellation of order.
- 8.2. In case any order is cancelled in whole or in part upon request of the Customer, ViscoTec shall deliver the entirely completed or partially completed items to the Customer and charge the Customer for the reasonable expenses incurred by ViscoTec for fulfilment of such order and the related materials, labour costs and compensation for loss. The time limit for claiming charges and compensation shall be within ninety (90) days from the date of ViscoTec's confirmation of receipt of the Customer's notice on order cancellation.
- 8.3. The Sales Contract may be terminated upon mutual consent of the parties. Without prejudice to any other remedy provided for under the Sales Contract, in case of any following circumstance, one party ("**Non-breaching Party**") may immediately terminate the Sales Contract by notifying the other party ("**Breaching Party**") in writing without assuming any liability:
- (i) In case a party breaches the Sales Contract but fails to rectify such breach of contract within thirty (30) days after issuance of a written notice by the Non-breaching Party to the Breaching Party on the concerned breach of contract, then the Non-breaching Party may terminate the Sales Contract upon expiry of the thirty (30) days.
 - (ii) In case a party becomes insolvent, goes bankrupt or in receivership, or becomes a subject of liquidation or winding-up, or ceases business or be unable to pay due debts, or compounds with its creditors, then the Non-breaching Party may immediately terminate the Sales Contract.
 - (iii) Other circumstances provided by laws.
- 8.4. Termination or cancellation of Sales Contract or any order thereunder for any reason shall not reliver the concerned party of any antecedent breach or obligation that is/are unfulfilled according to the relevant terms in the Sales Contract prior to the termination or cancellation, nor relieve the concerned party of the obligation to pay any accumulated overdue amounts according to the relevant terms in the Sales Contract.
- 8.5. The right of termination under the Sales Contract shall be in addition to rather than a replacement of any right or claim or remedy entitled by the Non-breaching Party. Any termination will neither relieve the Breaching Party of any liability accrued by the date of termination nor relieve the Breaching Party of any liability for breach of contract towards the Non-breaching Party.
- 8.6. After termination of the Sales Contract, provisions under clauses 5, 8, 9 and 10 in this Sales Contract shall still survive.

9. Governing Law and Dispute Resolution

- 9.1. Any discrepancy or dispute in relation to the matters herein, the terms of this Sales Contract shall prevail. The Sales Contract shall be governed by and construed in



accordance with the local laws of the Hong Kong Special Administrative Region for the time being in force and the Courts of Hong Kong shall have the exclusive jurisdiction to determine any dispute arising hereunder.

- 9.2. The parties of this Sales Contract hereby expressly exclude and opt out the provisions of the United Nations Convention on Contracts for International Sale of Goods (“**CISG**”), if it is an international contract.
- 9.3. The Sale Contract (whether international or domestic) shall be governed exclusively by the local laws of the Hong Kong Special Administrative Region but not otherwise.

10. Miscellaneous

- 10.1. In case any provision of the Sales Contract is duly declared as illegal, unenforceable or violating law or public policy, the validity of the remaining provisions thereunder shall not be affected. If any right or obligation of one party is materially affected by such declaration, both parties shall meet and consult with each other in good faith so as to agree upon the amendment of such affected contractual provisions in a way closest and exactly reflecting the intention and purpose of this contract.
- 10.2. Neither party may transfer its rights or obligations under the Sales Contract to a third party without prior express written consent of the other party.
- 10.3. The Sales Contract and its attachments shall constitute an entire agreement between both parties with respect to the subject matter of the Sales Contract and shall supersede all prior discussions, negotiations and agreements between both parties. Amendments or other modifications to the Sales Contract must be made in writing, signed and stamped by authorized representatives of both parties respectively. This applies also to this provision and its waiver, if any. Amendments or other modifications upon their effectiveness shall become an integral part of the Sales Contract and have same legal force and effect as the Sales Contract.
- 10.4. Any waiver by either party of a right entitled out of violation of any provision, agreement or condition under the Sales Contract shall not be deemed as waiver of such provision, agreement or condition, or of any relevant right entitled out of any subsequent violation of the said provision, agreement or condition, nor as waiver of any other provision, agreement or condition hereunder. On the other hand, the exercise of or failure to exercise or delay in exercising a remedy by any party hereto against the other party hereto shall not constitute a waiver by that party of its rights against the other party or a waiver of its other rights and remedies.
- 10.5. Nothing in the Sales Contract, express or implied, is intended to or shall concur upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of the Sales Contract. The provisions of the Contract (Rights of Third Parties) Ordinance, Cap. 623 of the Laws of the Hong Kong Special Administrative Region are hereby excluded from the Sales Contract.
- *Hong Kong 20. September 2023*
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