

# General Conditions of Sale and Delivery

(effective as of 1 January 2023)

## I. General

1. These General Conditions of Sale and Delivery apply to all contracts with companies, public legal entities, shall be an integral part of the sales order. Conflicting or deviating conditions of purchase or other reservations made by the Buyer shall not be effective unless the Seller has expressly accepted them in writing for a particular order.
2. The Seller refers to Zhejiang Cenway Materials Co., Ltd. and/or Panjin Cenway Materials Co., Ltd., and the Buyer refers to the party as indicated in the sales order.

## II. Products and Prices

1. The products grades, specifications and quantities are subject to the contents as agreed by the parties in the sales order.
2. Unless otherwise specified in the sales order, the interval between the conclusion of the sales order and the actual shipment date shall no longer than one (1) month.
3. Generally, the payment of prices shall be in cash. settlement the payment in bank accepted draft or letter of credit requires prior consent of the Seller.
4. Where the Seller has reason to doubt the Buyer's solvency or creditworthiness and the Buyer is not prepared to effect advance cash payment or provide the Seller with security as requested, the Seller shall have the right to cancel that portion of the sales order which he has not yet performed.
5. Where payment has been agreed in a currency other than Chinese Yuan (CNY), the Seller reserves the right to reduce or increase the amount originally agreed so that, when translated into CNY, the sum invoiced is equivalent to the CNY value resulting from translation of the amount originally agreed at the time the sales order was concluded.

## III. Payment

1. Payment shall not be deemed to have been effected until the amount has been cleared into one of the Seller's accounts.
2. The Seller reserves the right to use payments for the settlement of the invoices which have been outstanding longest, plus any interest on arrears and costs accrued thereon, in the following order: costs, interest, principal claim.
3. The Buyer shall not have the right to withhold payments. Counterclaims may only be offset if they are uncontested or have become res judicata.

## IV. Delivery

1. Unless otherwise specified in the sales order, the day of delivery shall be the day on which the goods leave the Seller's plant or warehouse. The Seller shall make every effort to effect delivery as early as possible.
2. The provision of packaging including tankers and tank containers by the Seller shall be subject to special conditions, and the actual delivered quantity shall allow for reasonable variation (  $\pm$  0.3% \* shipment quantity).

## V. Acceptance and Warranty

1. Notification of defects shall only be recognized if filed in writing within five (5) working days of receipt of the goods, together with supporting evidence, samples and packing slips, stating the invoice number and date, and the markings on the packaging.
2. Hidden defects must be notified to the Seller immediately upon discovery (no later than after six (6) months of receipt of the goods). The burden of proving that a defect is a hidden defect shall rest with the Buyer.
3. Unless otherwise agreed, the acceptance standard of delivered goods shall be subject to the product quality specification as provided by the Seller. In the event of non-conforming products, the Seller shall, at its own cost, collect the non-conforming products and supply with a

replacement. If the replacement provided by the Seller is also defective, the Buyer may reduce the purchase price or opt to cancel the sales order. The aforesaid remedies in this section constitute the sole remedies provided to the Buyer for the non-conforming products.

#### **VI. Force Majeure, Impediments to Performance**

Force majeure of any kind, unforeseeable production, traffic or shipping disturbances, war, acts of terrorism, fire, floods, unforeseeable shortages of labor, utilities or raw materials and supplies, strikes, lockouts, acts of government, and any other hindrances beyond the control of the party obliged to perform which diminish, delay or prevent production, shipment, acceptance or use of the goods, or make it an unreasonable proposition, shall relieve the party from its obligation to supply or take delivery, as the case may be, as long as and to the extent that the hindrance prevails. If, as a result of the hindrance, supply and/or acceptance is delayed by more than sixty (60) days, either party shall have the right to cancel the sales order. Should the Seller's suppliers fail to supply him in whole or in part, the Seller shall not be under obligation to purchase from other sources. In such cases, the Seller shall have the right to distribute the available quantities among his customers while at the same time taking into account his captive requirements.

#### **VII. Shipment**

1. The Seller reserves the right to choose the route and the mode of transport. Any additional costs resulting from special shipping requests made by the Buyer shall be borne by the Buyer. Unless prepaid freight has been agreed, the Buyer shall also bear any increases in freight rates which become effective after the sales order has been concluded, any additional costs resulting from re-routing a consignment, storage expenses, etc.
2. The risk of destruction, loss or damage shall pass to the Buyer upon dispatch of the goods or, if they are collected by the Buyer, at the time they are placed at the Buyer's disposal.

#### **VIII. Retention of Title**

Title to the goods shall not pass to the Buyer until and unless the Seller receives the full payment of the goods as effected by the Buyer.

#### **IX. Damages**

1. The Seller shall not be liable for any loss suffered by the Buyer as a result of third party claims or for indirect damages suffered by the Buyer (including, without limitation, loss of profits, goodwill, business opportunities or anticipated cost savings), whether in negligence, breach of contract, misrepresentation or otherwise.
2. The entire liability of the Seller under or in connection with the supply of the goods, whether for negligence, breach of contract, misrepresentation or otherwise is limited in respect of each event or series of connected events to the cost of the defective, damaged or undelivered goods which give rise to such liability as determined by the net price invoiced to the Buyer.
3. The above limitations shall not apply to damage resulting from death, injury or damage to health. However, this shall not affect the applicability of compelling statutory liability regulations such as, for example, liability for the assumption of a guarantee or product liability law.

#### **X. Properties of Goods, Technical support, Use and Processing**

1. The properties of the goods shall as a general rule only include the properties as stated in the product descriptions, specifications and labeling of the Seller. Public statements, claims or advertising shall not be classed as information on the properties of the item for sale.
2. Technical advice provided by the Seller verbally, in writing or by way of trials is given in good faith but without warranty, and this shall also apply where proprietary rights of third parties are involved. The Seller's technical advice shall not release the Buyer from the obligation to test the products supplied by the Seller as to their suitability for the intended processes and uses. The application, use and processing of the products are beyond the Seller's control and therefore entirely the Buyer's responsibility.

#### **XI. Recycling of Packing Containers**

The packing containers of goods as provided by the Seller are leased by the Seller and need to be recycled for use (the "**Containers**"), and the Buyer shall promptly notify the relevant party for recycling of the Containers in accordance with the requirements and instructions in the sales order after receiving the goods, up to a maximum of one (1) month after receiving the goods. The Buyer shall use reasonable care to maintain the Containers in good working conditions (except for normal wear and tear) during the responsibility period of the Buyer's occupation of the Containers. The Buyer shall indemnify the Seller for any and all losses or additional costs or expenses incurred as a result of 1) the overdue use of the Containers due to Buyer's negligence in sending out timely notification of recycling to relevant party, 2) the Buyer's misuse of the Containers for other purposes or beyond the intended place of delivery as indicated in the sales order, or 3) damages to, missing or losses of the Containers due to Buyer's negligence, mistake or fault during the responsibility period of the Buyer's occupation of the Containers.

## **XII. Trademarks**

Without the Seller's prior written consent, the Buyer shall not have the right to use the Seller's product designations, especially his trademarks, on the resulting products or on the packaging therefor or in any relevant printed matter or advertising literature. The supply of goods under a trademark shall not be deemed agreement to the use of this trademark for the products manufactured therefrom.

## **XV. Applicable Law, Interpretation of Trade Terms, etc.**

1. The People's Republic of China law shall apply. Customary trade terms shall be interpreted in accordance with the Incoterms effective at the time.
2. The parties agree that any disputes under or in connection with the sales order shall be submitted to Shanghai International Economic and Trade Arbitration Commission (SHIAC). The Seller shall furthermore have the right to sue the Buyer at the Buyer's general place of jurisdiction.
3. Should any clause in these General Conditions of Sale and Delivery be or become invalid in full or in part, this shall not affect the validity of the remaining clauses or remaining parts of the clause concerned. The parties shall replace any invalid arrangement by an effective one which conforms as far as possible to the economic purpose of the invalid clause.