

Translation into English of the General Conditions of Sale and Delivery Donghua International B.V.

The Dutch version shall prevail between the Parties

Article 1: General

1. These conditions, to the exclusion of conditions that read differently, apply to all offers from and agreements for the purchase and sale of goods and/or the provision of services of any kind concluded with Donghua International B.V. and its affiliated companies, with its registered office in (1812 RS) Alkmaar at Parelweg 1, hereinafter referred to as “Donghua”. Deviations from these conditions must be agreed exclusively in writing with Donghua.
2. In these conditions, the term “the other party” is defined as any legal or natural person that has concluded or wishes to conclude an agreement with Donghua and in addition to this party, its representative(s), authorised representative(s), successor(s) in title and heirs.

Article 2: Offers

1. All offers are without obligation unless expressly agreed otherwise in writing.
2. Offers are made on the basis of the wishes/specifications of the other party. The other party is obliged to provide the relevant information concerning the use of the products to be delivered by Donghua, including the temperature, weather conditions, the space in which they are to be used as well as the intensity with which they are to be used.
3. The other party ascertains upon receipt of the offer that the specifications are correct and is obliged to notify any deviations or inaccuracies to Donghua immediately and subject to the forfeiture of rights.
4. Binding agreements are not concluded until they have been accepted in writing or the other party’s order has been confirmed by Donghua, or as a result of the fact that Donghua effectively carries out the other party’s order. In the event the written acceptance or confirmation by Donghua deviates from the order issued by the other party in more than minor respects, the agreement will be concluded in accordance with Donghua’s written acceptance, unless the other party rejects Donghua’s acceptance or confirmation in writing without delay.
5. Agreements concluded with subordinate employees of Donghua do not bind Donghua insofar as these agreements have not been confirmed in writing by Donghua. All employees and workers of Donghua are deemed to be subordinates in this connection.
6. Any agreements or changes made at a later moment, as well as agreements or commitments made by subordinate Donghua employees bind Donghua only if they have been agreed in writing by Donghua.
7. Donghua is entitled to demand security from the other party concerning compliance with respect to its entire payment obligation before performing the agreement further.
8. Donghua reserves the right to refuse orders without stating reasons.
9. Donghua is not liable for errors and deviations in price, images, drawings and statements of dimensions and weights in errors and in offers and/or order confirmations (without obligation).

Article 3: Price Changes

1. All sales take place against the cost-price factors that apply at the moment of the conclusion of the agreement.
2. Donghua is entitled at all times to change the prices in the interim, if the need to do so arises from a power or obligation arising from the law or regulations, or is caused by an increase in the price of raw materials, transport, wages or other grounds that were not reasonably foreseeable at the moment the agreement was concluded.

Article 4: Delivery and Risk

1. Delivery takes place “ex works”, in accordance with Incoterms 2020; the risk in relation to the goods passes at the moment Donghua makes it available to the other party.
2. Irrespective of the provisions of the previous paragraph, the other party and Donghua may agree that Donghua will arrange for transport. The risk of storage, loading, transport and unloading also lies with the other party in such cases. The other party is obliged to take out insurance against these risks.
3. The other party is obliged to take delivery of the goods at the moment they are made available to it. The risk of loss, damage or decrease in value passes to the other party at the moment the goods are actually placed under the other party’s control.

Article 5: Delivery Terms

1. The delivery term is determined subject to the condition that the circumstances remain the same as at the time of the conclusion of the agreement and expressly does not establish a strict deadline.
2. A delayed delivery does not give the other party the right to dissolve the agreement or to claim compensation.

Article 6: Acceptance and Complaints

1. The other party is responsible for checking the nature, quality and quantity of the goods delivered. The other party is required to inspect the delivered goods immediately after delivery and must notify apparent defects to Donghua within eight days after delivery, subject to forfeiture of all its rights of action. In case of defects within the meaning of Article 7:23 of the Dutch Civil Code (DCC), the other party will be obliged to notify Donghua of the defect within eight days after it discovers or could reasonably have discovered the defect, subject to forfeiture of all of its rights of action.
2. Complaints concerning invoices must also be submitted within eight days after the dispatch dates of the invoices subject to forfeiture of rights. Complaints do not give the other party the right to suspend its payment, while setoff is expressly excluded.
3. Contrary to the statutory prescription periods, the prescription period of all claims and defences against Donghua and the third parties it involves in the performance of an agreement will be one year.

Article 7: Quality and Guarantee

1. Normal quality will be delivered and the customary business practises will be deemed agreed, unless otherwise provided for in the agreement.
2. With the exception of the guarantee provisions expressly agreed in writing, Donghua does not provide guarantees other than those it receives from its suppliers/manufacturers, which guarantees are transferable.
3. All forms of guarantee lapse if a defect has arisen resulting or following on from inexpert or improper use of the goods delivered by Donghua.

Article 8: Liability

1. Donghua is only liable for damage sustained by the other party if it is the result of gross negligence and/or intent on Donghua’s part.
2. Donghua is not liable for damage caused by subordinate employees and/or third parties engaged by it.

3. Consequential damage that arises for any reason whatsoever does not qualify for reimbursement either. The other party is obliged to take out insurance against such damage.
4. Donghua's liability is limited in any event and at all times to the losses against which Donghua is insured and up to the amount of the payments made in this connection under that insurance. At its request and prior to the conclusion of the agreement, the other party has the right to inspect the policy of Donghua's insurance that applies at that time.
5. In the event Donghua's insurer does not pay out for any reason whatsoever, all liability will be limited to the invoice amount to which the event that caused damage relates, subject to a maximum of €10,000.00 (in words: ten thousand euros).
6. The term within which Donghua can be held liable to pay compensation is in all cases limited to a term of one year after the fact occurred that caused the damage and is subject to forfeiture of rights.

Article 9: Force Majeure

1. In case of force majeure, Donghua will be released from its obligations under the agreement or its obligations under the agreement will be suspended.
2. In addition to its definition in law and case law, force majeure within the meaning of this article is defined as any circumstance beyond Donghua's direct control that reasonably prevents Donghua from performing in whole or in part.
3. Both Donghua and the other party have the right to dissolve the agreement without such creating an obligation to pay compensation if the period in which Donghua is unable to comply with its obligations as a result of force majeure exceeds six months.
4. If Donghua has already complied with its obligations in part or can only comply with its obligations in part when the situation of force majeure arises, Donghua is entitled to invoice the part that has been performed or, as the case may be, that can be performed separately and the other party will be obliged to pay this invoice as if it concerned a separate agreement.

Article 10: Retention of Title

1. All goods delivered by Donghua remain Donghua's property until the moment the other party has complied in full with all of its obligations towards Donghua on any basis whatsoever.
2. The other party does not have the right to pledge, transfer by way of security or grant third parties any other right in respect of the goods for as long as ownership of the goods has not passed to the other party.
3. The other party is obliged to keep the goods delivered subject to retention of title with due care and as identifiable property of Donghua and not process them until the outstanding invoices have been paid in full.
4. In the event Donghua exercises its right of retention, the other party hereby grants Donghua access to the goods it has delivered at all times. The other party hereby authorises Donghua in advance to exercise its right to take back the goods should the occasion arise.
5. The costs that arise from Donghua's exercise of the rights of ownership are for the account of the other party.

Article 11: Payments

1. Unless expressly agreed otherwise, payment must be made within 30 days after the invoice date unless the parties agree a different payment term expressly and in writing. The payment term is a strict deadline.
2. The other party is not entitled to set off the amount it owes to Donghua against any claim.

3. Complaints concerning the amount or accuracy of the invoice do not suspend the payment obligation. The other party is also not entitled to suspend payment of an invoice for another reason.
4. In the event the other party does not pay within the term referred to in paragraph 1 of this article, the other party will be in default by operation of law and it will owe Donghua statutory commercial interest on the basis of Article 6:119 DCC.
5. Irrespective of the purpose indicated by the other party, payments made by the other party always serve to settle the extrajudicial collection costs owed by the other party, followed by the interest owed and then the outstanding principal sums in order of maturity.

Article 12: Disputes and Applicable Law

1. Disputes between the other party and Donghua regarding the conclusion or performance of agreements and/or legal relationships to which these conditions apply are governed exclusively by Dutch law. The legal rules and the choice-of-law rules of Private International Law do not apply.
2. The statutory provisions apply unless these general terms and conditions include deviations therefrom.
3. All disputes in connection with this agreement and other agreements related to this agreement will be settled by the competent court in Noord-Holland.

Article 13: Other Provisions

1. The stipulations in these general terms and conditions regarding the limitation of Donghua's liability are also made for the benefit of Donghua's employees, and for the third parties engaged by Donghua. These employees and third parties can invoke these general terms and conditions against the other party in order to themselves against liability.
2. The other party can transfer its rights and/or obligations under the agreement or its legal relationship with Donghua to a third party only with the prior, written approval of Donghua.
3. Donghua is entitled at all times to engage third parties in the performance of the agreement without the other party's prior approval.
4. Agreements are always concluded exclusively with Donghua and not with individual Donghua employees.
5. If a provision of these general terms and conditions is void, voidable or does not apply, such will not prejudice the applicability of the other provisions of these general terms and conditions. At such times, the parties will enter into negotiations in order to replace the provision concerned with a provision that is legally valid and that approaches the nature and purport of the void, voidable or invalid provision as closely as possible.