

PURCHASE ORDER TERMS AND CONDITIONS

Hong Kong Science and Technology Parks Corporation is hereinafter referred to as HKSTPC and the person or company from whom the merchandise or service has been ordered is hereinafter referred to as Supplier.

TERMS AND CONDITIONS OF PURCHASE

1. ACCEPTANCE

Supplier's shipment of the merchandise and/or its rendering of services shall be deemed and construed as Supplier's acceptance of HKSTPC applicable terms and conditions. Any variance of said terms and conditions must be effected in writing by HKSTPC. Purchase orders may be cancelled or amended by HKSTPC at any time prior to shipment of merchandise or provision of services by written notice to the Supplier without liability on HKSTPC. HKSTPC shall not be bound by any terms and conditions stipulated in any of Supplier's forms and documents.

2. PRICE

Unless otherwise specified, the price stated includes all charges and expenses of Supplier, as well as freight and insurance to destination including packing, shipping, handling, and any and all applicable taxes. HKSTPC shall have no obligation to pay for any merchandise prior to its acceptance of same.

3. PAYMENT

Supplier shall render to HKSTPC invoices and such other documentation requested by HKSTPC, including but not limited to bills of lading, custom forms, export licenses and permits, country of origin statements, packing lists, delivery receipts and such other documentation as HKSTPC may reasonably require. Unless specified on the Purchase Order, the merchandise ordered by HKSTPC shall be paid by HKSTPC to Supplier in Hong Kong Dollars within thirty (30) days after the invoice date and within thirty (30) days after satisfactory completion of the UAT if applicable. No invoice shall be dated prior to the date of delivery and approval of the merchandise by HKSTPC. If HKSTPC fails to fulfill its payment obligation in a timely fashion, it must be given notice of default and granted a reasonable term by Supplier in which to fulfill its payment obligation before it will actually be in default. If HKSTPC objects to an invoice and the merchandise delivered, it may suspend payment, without prejudice to any of its other rights. HKSTPC shall, in its sole discretion, be entitled to set off any claim against Supplier against any invoice of Supplier.

4. DELIVERY

In matters of delivery, when a delivery date or schedule is specified, time is of the essence. HKSTPC reserves the right to refuse any merchandise and/or services and to cancel without liability, all or any part of this order if Supplier fails to deliver all or any part of the merchandise and/or services in accordance with the terms hereof, failing in which, HKSTPC reserves the right to purchase elsewhere and charge Supplier with any loss or additional cost incurred thereon, unless a deferred shipment is agreed in writing. Risk of loss or damage to the merchandise shall remain with Supplier until HKSTPC acceptance of the same. Title in the merchandise shall pass at delivery and acceptance of the merchandise without prejudice to HKSTPC's right to reject or to claim damages at HKSTPC's option after delivery and/or acceptance. HKSTPC may by notice in writing to Supplier reject the goods or part thereof before or after delivery on anticipated or actual failure of Supplier to comply with its obligations herein and thereafter the rejected goods shall be at Supplier's risk and returned at Supplier's expense and Supplier shall reimburse HKSTPC for any monies or expenses paid and losses and damages incurred by HKSTPC.

5. WARRANTY

By accepting this order, Supplier warrants that the merchandise or services to be furnished hereunder will (a) conform with the applicable specification(s), drawing(s), description(s) or sample(s) provided to HKSTPC; (b) be new (in the case of merchandise); (c) be free of defects; (d) be of merchantable quality and fit for their intended purpose (in the case of merchandise); (e) be provided with reasonable skill and care (in the case of services); and (f) be in compliance with all laws of Hong Kong. All merchandise ordered is subject to final inspection, approval and acceptance by HKSTPC. If any merchandise does not conform to the requirements stated above, HKSTPC reserves the right to reject the material. If the rejected material has been paid for, it may be returned and charged back to Supplier, including all inspection, handling and transportation expenses. Acceptance of, or payment for, all or part of the merchandise or services supplied on this order shall not be deemed to be a waiver by HKSTPC of its right to claim for any losses, costs or damages, and to cancel or return all or any part thereof, due to any delay or other failure to confirm to the terms of this order. These warranties shall survive acceptance and payment and shall run to HKSTPC and its customers in the event of resale. The above warranty shall apply for a period of 18 months from the date of first use or as per agreement between Supplier and HKSTPC.

6. INDEMNITY

Supplier guarantees that the merchandise or services furnished hereunder will not infringe upon any valid patent, copyright or trademark or other property rights of a third party and that the Supplier will, at its own expense, defend any and all actions, suits or claims charging such infringement and will indemnify and save harmless to HKSTPC and its customers, both as to damages and costs (including legal fees and disbursements) in case of any such infringement or alleged infringement of third party property rights covering and pertaining to the merchandise or services furnished in connection with this order. The term third party property rights includes, but is not limited to, patents, trademarks, copyrights, rights in data and trade secrets.

7. ASSIGNMENT

Supplier shall not assign any order, interest therein or any rights thereof or subcontract performance of all or part of this order without the prior written consent of HKSTPC.

8. CANCELLATION

HKSTPC reserves the right at its option either to suspend or cancel the shipment of merchandise or the provision of any services covered by this order, in whole or in part, at any time without penalty costs or damages whatsoever where such suspension or cancellation is caused by force majeure, acts of God, or contingencies beyond the reasonable control of HKSTPC.

9. PROPERTY

HKSTPC shall retain title to any materials or information furnished or paid for by HKSTPC in connection with this order. Such materials or information shall be deemed to be held in trust for HKSTPC by Supplier and shall not be disclosed to others without HKSTPC consent in writing. Such materials and information shall be at Supplier's risk and shall be used exclusively for the production of HKSTPC merchandise or the provision of services pursuant to this order of HKSTPC.

10. SAFETY

Material and merchandise shall be produced and delivered in a manner which conforms with applicable laws and regulations as well as procedures intended to prevent accidents and personal injury. Shipping containers for hazardous chemicals and flammable materials shall be labeled so as to facilitate proper handling and storage. Contractors personnel shall observe HKSTPC safety rules and regulations when visiting or working at HKSTPC premises.

11. GOVERNING LAW AND JURISDICTION

The rights and obligations hereunder shall be governed by the laws of Hong Kong Special Administrative Region. The parties submit to the jurisdiction of the courts of Hong Kong.

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INSTRUCTIONS TO THE SHIPPER

Acknowledgement of receipt of this order and give shipping date. Show HKSTPC PURCHASE ORDER NUMBER on all invoices, packages, Bill of Lading, etc.

Render a separate invoice for each order or shipment thereof. Packing slip must be enclosed in shipment and container so marked. Packages must show quantity and description of contents. Transportation prepaid for HKSTPC account must be shown as a separate on invoice and supported by a certified copy of prepaid transportation bill.

Render invoices at time of shipment, otherwise mail shipping notice promptly.

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