

General sales terms and conditions of Frameless Asia Pacific Limited

§ 1 Scope

The general sales terms and conditions of Frameless Asia Pacific Limited apply exclusively. We will not recognize other terms and conditions which are inconsistent or deviate from these general sales terms and conditions unless we have expressly agreed to such conditions in writing. These general sales terms and conditions also continue to apply exclusively even in the case where we complete delivery to the customer unconditionally with the knowledge of terms and conditions which are inconsistent or deviate from our general sales terms and conditions.

§ 2 Offer and Prices

Our offers are subject to change with respect to price, quantity, delivery period and –possibility. This applies also to information contained in brochures, advertisements or other printed materials, in particular also with respect to price information. Documentations accompanying an offer such as illustrations, drawings or weight- and measurement information are only approximate to the extent they are not expressly indicated as binding. Care symbols are recommendations by our in house laboratory only and without any obligation. We retain property- and copy rights to cost estimates, models, prototypes, price lists and production documents. Access to any such documents may not be given to any third parties without our authorisation.

We produce production documents ourselves and charge them to the customer pro rata without creating a property right in such documents in the client. In the case that the customer provides the documents for the design or places an order for the production of products of our making, the customer takes the responsibility that no rights of third parties (in particular trademark-, copyright-, design- and patent rights) are thereby infringed. Samples will only be delivered upon request and all resulting costs will be charged to the customer.

In the case that the customer requests a guarantee with respect to the compatibility of the materials of the goods offered by us with the products to be further processed, such guarantee only exists if made in writing and pursuant to prior examination of the materials. To this end, the customer will provide a separate written order and will provide us with sufficient material to conduct such examination. The customer shall bear the costs of the materials compatibility tests, even if the order relating to our delivery product should fall due to the incompatibility of the materials. The customer may only rely on guarantees, which have been provided to him in writing. To the extent that there are no contradictory terms contained in the order confirmation, our prices apply “ex warehouse” in US\$, inclusive of standard packaging. Special packaging requests have to be charged additionally. Other agreements with customer have to be confirmed by us in writing.

We reserve the right to pass on to the customer increases in prices (e.g. due to changes in the exchange rate, increases in freight prices, customs duties, import duties, material costs etc.)

No free installation, orientation or implementation of the delivered goods is contained in the prices. Any such service must be included additionally in the order and the price will be calculated upon acceptance of the order on a time and material basis.

§ 3 Order confirmations

The content of our order confirmation together with our general terms and conditions is decisive for the content of the contractual relationship between us and our customers. The conditions of payment arise from our order confirmation. Appropriate legal provisions apply concerning the consequences of a payment default.

Our sales representatives are not authorized to collect payment. A release from payment obligations can only result from payment directly to us.

The quantity according to our order confirmation includes our customer's acquiescence to the delivery and charge of smaller- or larger quantity up to 10%, for small quantities under 500 pieces up to 20%. In the case that the goods are specially produced for the customer, the customer is further obligated to accept and to pay for remaining oddments.

In the case a block order has not been called out within one month after the fixed period of time we are entitled to demand payment of the remaining blocked goods. If the fixed period of time was not particularly agreed, it is automatically set to three months after the date of order confirmation.

§ 4 Delivery and default

The goods will be shipped in all cases at the expense and risk of the customer. Without a separate agreement, the transport route and the means of transport will be selected at our discretion, but without liability for shipping under favourable conditions. We reserve the right under reasonable circumstances to make partial delivery.

Delivery deadlines shall not be binding on us and are approximate, unless the delivery date is expressly agreed. The beginning of the delivery period indicated by us presumes the satisfactory clarification of all technical questions, the receipt of all related documents from the customer, in particular colour swatches, drawings etc. In the case of a requested advance payment according to our

order confirmation to the customer the delivery period starts only after receipt of the advance payment.

Adherence to our delivery obligations further presumes the timely and proper performance of the customer's obligations. We reserve the right to use a breach of contract by the customer as a defence.

Should the customer default in accepting delivery or intentionally or negligently infringe other obligations to cooperate, we have the right to demand compensation for the resulting damage, including any and all additional expenses. Other claims are not thereby excluded.

Delivery deadlines will be appropriately automatically extended in the case of events for which we are not responsible, including, but not limited to, strike and lock-out, electrical power or water outage, failure of our suppliers to make deliveries, fire, war, natural events and transport difficulties, to the extent such events are demonstrably of significant influence concerning the production and delivery of the object to be delivered. This applies also if the events occur during a pre-existing default.

If we default with the delivery for other reasons, the customer is requested to approve an extension of the delivery deadline by 2 weeks. Such extension will be 5 days for ready to ship warehouse stock. An extension of the delivery deadline can first be set after expiration of the delivery deadline and will be calculated from the day on which we receive notification from the customer.

We shall be liable in accordance with applicable legal provisions provided that the delivery default is based on a breach of contract caused by us intentionally or due to gross negligence. We are responsible for intentional or grossly negligent conduct attributable to one of our representatives or persons employed to fulfil applicable obligations. Provided that the delivery default is not based on a breach of contract intentionally caused by us, the payment of damages is limited to foreseeable, typically occurring damage.

We shall also be liable in accordance with applicable legal provisions to the extent that a delivery default for which we are responsible is based on the intentional or negligent breach of a significant contractual obligation, whose infringement endangers the purpose of the contract; in this case, however, the payment of damages is limited to foreseeable, typically occurring damage.

Incidentally, in case of a delivery default, we shall be liable for each full week's default, for compensation for damages resulting from delay liquidated in a lump sum in the amount of 0,5 % of the value of our delivery, up to an amount equal to not more than 5 % of the value of our delivery.

All further legal claims and rights of the customer remain reserved.

§ 5 Liability for defects

Customer's claims regarding defects presuppose that the required examination and notice obligation have been properly fulfilled. A warranty to used goods is excluded. Although most of our goods are washable and dry cleanable, there is no general guarantee of resistance to washing, dry cleaning, ironing and tumbling. Our care symbols are recommendations only and without obligation. For dyed to match products (surface dyed products) there is no guarantee in regards to colour fastness. We strongly recommend not using dyed to match products in contrast on the materials to be further processed.

We shall not be liable for colour fading of dyed to match products (surface dyed products) even they are covered with an additional protection lacquer.

Products consisting of copper could cause colour changes on chemically, especially enzyme, treated materials to be further processed.

We shall not be liable for such colour changes.

Colour and pattern deviations on natural products including, but not limited to, corozo, mother of pearl, real horn, leather and wood are no defect. Indeed, this is a quality feature of a natural product.

Incidentally the following applies: To the extent that a defect exists in any good sold we have the right to remedy the performance in the form of either a removal of the defect or a delivery of a new, defect free product, as we choose. In the case we choose the remove of the defect we are obligated to bear all necessary expenses related to such defect removal, in particular transport-, routs-, labour- and material costs, provided that these are not increased because the defective product was transferred to another location than the place of performance.

If the remedial performance fails the customer is entitled to repudiation of the contract or to a decrease in the contract price, as he chooses.

We shall not be liable for indirect or consequential damage or costs.

We shall be liable in accordance with applicable legal provisions provided that the customer's claims for damages are based on intent or gross negligence, including the intentional and grossly negligent conduct of our representatives or persons employed by us to fulfil applicable obligations. To the extent that we are not accused of an intentional breach of contract, our liability for damages shall be limited to foreseeable, typically occurring damage.

We shall be liable in accordance with applicable legal provisions that we culpably infringe a significant contractual obligation, whose infringement endangers the purpose of the contract. In this case, however, liability for

damages shall be limited to foreseeable, typically occurring damage.

Liability due to culpable injury to life, limb or health remains unaffected. This applies also to compulsory liability under the Product Liability Act.

In the case of a manufacturer's guarantee for products delivered by us the resulting claims of the customer are to be handled exclusively between the manufacturer and the customer. No obligations shall arise for us from any commitments made by the manufacturer. The assignment to third parties of any claim the customer has against us is excluded.

§ 5 Retention of title

Our deliveries, also to the extent the goods themselves have been paid for and are still in possession of the customer, remain our property, until full payment of all accounts payable, also of future claims arising from the business relationship, including all incidental claims, independent of their legal basis, and until payment of the associated bills of exchange and cheques (reserved goods). The customer has the right to work with and to dispose of the reserved goods within the scope of his proper business operations. The customer may neither assign as security nor pledge the reserved goods or goods produced from them. The customer is obligated to maintain the sold goods in good condition; in particular he is obligated to sufficiently insure the goods in an amount equivalent to their value when new against fire and water damage and theft, at his own expense. To the extent that maintenance and inspections are necessary, the customer must complete same in a timely fashion at his own expense.

The customer does not acquire property rights in any object created by processing the reserved goods. The processing will be considered to be undertaken on our behalf by the customer. If the reserved goods are processed with materials belonging to the customer or materials purchased, we acquire co-ownership of the processed product. The new goods can serve as security only to the amount of the invoice value of the reserved goods. If the reserved goods are processed with other materials, likewise under extended retention of title, i.e. under exemption from the legal consequences of goods delivered, we acquire co-ownership of the new objects in proportion to the invoice value of our reserved goods to the invoice value of the other processed objects. Further, the customer herewith assigns his claims arising from the resale of the reserved goods in the corresponding proportion, whether or not the reserved goods are sold without or after processing and whether or not they are sold to another or multiple buyers.

The customer ensures that a blanket assignment to a third party will not occur after execution of this contract. We authorise, until such authorisation is recalled, the customer to collect monies owed due to a resale. The collection power of the customer will automatically expire when the customer ceases making payments, when a judgment is executed against him, when he is ordered by a court to disclose his financial circumstances or when a judicial or extrajudicial settlement or insolvency proceeding relating to his assets is brought against him. Our authority to collect monies owed is not affected by our authorisation permitting the customer to collect monies owed. We will refrain from collecting monies owed as long as the customer fulfils his payment obligations. At our request the customer must provide us without delay with written information relating to the debtors of assigned accounts receivable and to notify the debtors of the assignment.

We must be notified without delay via certified mail of impairments of our property and pledges of same, to which the customer is required to immediately object. The customer hereby obligates himself to inform us at our request and without delay about the existing condition of the goods, about the processing or connection of the reserved goods with foreign goods, as well as about claims arising from further disposition or resale, or to provide us with invoices.

In the case of the customer's breach of contract, in particular payment default, we have the right to recover the goods sold. Such recovery constitutes repudiation of the contract on our part. After recovery of the goods sold we are entitled to their value, the proceeds will be credited against the customer's account, less appropriate realisation costs.

We are obligated, at the request of the customer, to release, as we choose, the security (reserved goods and assigned claims for monies owed) to which we are entitled due to the retention of title, to the extent that its value exceeds the value of the thus secured claims by more than 10%.

§ 6 Governing Law and jurisdiction

If any part of these general terms and conditions is found to be void or unenforceable by any court of competent jurisdiction, such part shall be severed from these terms and conditions. They will otherwise remain in full force and effect. These terms and conditions shall be governed by and interpreted according to Hong Kong SAR Law and the parties submit to the exclusive jurisdiction of the Hong Kong SAR Courts.