

PURCHASE ORDER TERMS AND CONDITIONS OF ENCORE TECHNOLOGY (BEIJING) CO., LTD

Application

- These terms and conditions (**these Terms**) apply to the supply of:
 - the goods (if any) including all services required to deliver and make the goods operational (**Goods**); and
 - the services (if any) including all goods and equipment required to provide the services (**Services**),specified in the Purchase Order overleaf (**PO**) from Encore Technology (Beijing) Co.,Ltd (**we/our/us**), to the party named as the Vendor in the PO (**you/your**).
- By supplying or commencing to supply any Goods and/or Services to us, you agree to these Terms. You also agree that these Terms, the PO, and any specifications and/or warranty specified in the Quotation (as defined below), together comprise a legal contract (**this Contract**) between you as vendor and us as purchaser, to the exclusion of any terms or conditions you have notified to us. We do not agree to any terms or conditions which are inconsistent with this Contract, unless those terms are formally agreed by us in writing.

Delivery

- You must supply the Goods to us and perform the Services in accordance with this Contract by the date (**Delivery Date**) to or at the address for delivery or performance (**Delivery Address**), specified in the PO or if not specified, as we notify you.
- All Goods must be packed to avoid damage in transit or in storage. Packaging must be marked with the PO number, item number, destination, contents, quantity, date and method of dispatch and weight of each package. You must not make any partial delivery unless we agree in writing.
- We may reasonably change the Delivery Address and/or Delivery Date, by reasonable advance notice in writing to you.

Title and Risk

- Subject to clauses 7 & 8, you bear all risk in Goods until their delivery to us at the Delivery Address (**Delivery**). Delivery will not be taken to have occurred unless we provide a receipt for Delivery however receipt does not mean that we accept any Goods or Services. We shall be entitled to test and/or inspect Goods for, amongst other things, quality or quantity within 30 days of their delivery.
- Title to and risk in Goods passes to us on Delivery except for Goods which this Contract specifies are only hired to us for a limited time (**Hired Goods**).
- Title to and risk in Hired Goods remains with you all times except that we are not released from liability for any theft, loss, shortage in or damage to a Hired Good to the extent caused by the misuse, misconduct or negligent act or omission by us or by any of our servants, agents, contractors or permitted users (**Our Personnel**)) during the period of our hire of the Hired Good.

Vendor Obligations

- You must properly, safely and professionally perform the Services and provide the Goods with care and skill in accordance with all laws and requirements including for occupational safety, health and environment (**OHS**), all applicable industry standards for highest quality practices and our reasonable directions, and without interfering with our business or any person at the Delivery Address. You must also:
 - hold all licences, permits and authorities required to perform all of your obligations under this Contract;
 - provide all information and assistance, and do all things we reasonably require to comply with any applicable law or any OHS or other investigation relating to, or to obtain the full benefit of, the Goods and Services;
 - ensure that your employees, agents and contractors (**Your Personnel**) who enter our premises or other Delivery Address have permission to enter, are properly qualified and skilled, and comply with all applicable law, government requirements and all notified policies and procedures; and
 - discharge and comply with all applicable laws in regard to Your Personnel including for payment of taxes and other statutory charges, all minimum wages and all other entitlements, all of which you must pay, indemnify and hold us harmless from.

Insurance

- You must hold and maintain current insurances at your cost for the full replacement value of the Goods until Delivery, all property used to provide the Goods and Services and:
 - public liability insurance for no less than 6 million RMB for a single claim;
 - employer's liability insurance and work-related injury insurance for no less than is customary and enrolment in any applicable mandatory employee liability scheme; and
 - for Services, professional negligence for no less than 6 million RMB for a single claim, subject to any higher and/or additional insurance specified in the PO or represented by you and you must provide evidence of insurances on request.

Quality

- The Goods and Services must, and you warrant to us that the Goods and Services will:
 - match any specifications in any quotation you have given to us before issue of the PO for supply of the Goods and/or Services (**Quotation**) and/or the PO, and if different, the higher of them;
 - be of the same nature and no less a quality as any sample, demonstration and/or representation made or provided by you;
 - be fit for the purpose disclosed by us and if not disclosed, for which goods and/or services of the same kind are commonly supplied or purchased; and
 - be merchantable and of high quality, and except for Hired Goods (unless specified otherwise in the PO or the Quotation), all Goods must be new.

Warranty

- If within 12 months of the date of Delivery of the Goods or the date on which provision of the Services ends (**Warranty Period**), any aspect of the Goods and/ or Services is found to be damaged (other than by us or Our Personnel after Delivery), deficient, faulty, inadequate, unsafe or incomplete (each called **Defective**), without limiting any other right we may have, you must at your cost promptly after notice from us:
 - repair or replace the Defective Goods and/or re-perform or make good the Defective Services, as we require; or
 - reimburse us for our costs of arranging repair, replacement, re-performance or making good of the Defective Goods or Services.

The Warranty under this clause is a minimum warranty and will be extended to the extent of any warranty provided or represented by you or the manufacturer of the Goods, and as required by applicable law. You must also ensure that all manufacturer's warranties are provided and assigned to us at Delivery.

Price

- The Price of the Goods and Services is specified in the PO (**the Price**) and is inclusive of all costs, expenses, taxes and duties incurred by you in the supply of the Goods and Services including all charges for packing, insurance, shipping, delivery, and for Hired Goods, for collection of the Goods and the cost of any labour or items used or supplied, unless the PO specifies otherwise.
- The Price may not be varied other than as specified in the PO or as agreed by us in writing.

VAT

- The Price is inclusive of all value added or any similar tax which might apply (**VAT**) (if any) unless specified otherwise in the PO. If VAT is applicable, you may invoice us for the VAT payable in addition to the VAT exclusive Price, subject to you providing us with a valid invoice which complies with these Terms and applicable law and you must do all things reasonably required to

enable or assist us to claim any credit or adjustment of any VAT paid or payable by us.

Invoices

- Within 7 days of Delivery of the Goods and/or completion of the Services, you must provide us with a valid bill and VAT invoice which includes: (1) our PO number including line item numbers on the PO; (2) a description of the delivered Goods and Services, including date and place of Delivery and/or period of Services provided and quantities; (3) the Price, specified to reflect the same Price components on the PO; (4) the amount of any applicable VAT (if any); (5) the purchaser's name, contact name and Delivery Address matching the PO details; and (6) details of your bank account for payment; and be sent to our Delivery Address specified in the PO.
- You must provide us with records to calculate and verify the amounts in any invoice, at our request.

Payment

- Subject to these Terms and to our receipt of a valid bill and a VAT invoice complying with these Terms, payment of the Price will be by direct deposit to your nominated bank account within 30 days after the later of (1) the date of Delivery of the Goods and Services in accordance with this Contract; and (2) the date of our receipt of a valid bill and a VAT invoice. We are not required to make any payment by cheque or cash.
- However we may withhold payment of the Price or a reasonable part to the extent :
 - we reasonably determine that the Goods and/or Services have not been completed and delivered as required by this Contract;
 - the Goods and/ or Services or any aspect are Defective; and/or
 - there is a discrepancy between your bill or invoice and this Contract's requirements; until you have remedied the reason for our withholding, or until any dispute is resolved. We may also deduct by way of set-off any amount you owe to us on any account.

Intellectual Property

- You warrant that all copyright, trademarks (whether registered or not), patents, designs, other proprietary rights, applications for any of the same and any similar rights (all called IP) contained in or supplied with the Goods and/or Services are lawfully able to be used and reproduced by us and Our Personnel without infringement of any person's rights.
- Except to the extent this Contract expressly only licences us to use any IP, all IP in anything created or produced by you or on your behalf to provide the Goods and/or Services to us shall be assigned to and belong to us from Delivery of the Goods and/ or Services. You must sign and ensure that any author of any such IP signs any additional document we reasonably require to fully exercise our rights in any IP without infringing any other person's rights including moral rights.
- Subject to any other term of this Contract, nothing in these Terms affects your pre-existing IP (**Pre Existing IP**) however you irrevocably grant a perpetual, worldwide, and royalty free licence to us and our sub licensees to use Pre Existing IP to the extent necessary for us to use and obtain the full benefit of the Goods and/or Services.

Confidential Information

- You must not and must ensure that none of Your Personnel, directly or indirectly disclose (except as required by law), make use of or obtain any advantage from any information disclosed to or which comes to the knowledge of you or Your Personnel in connection with this Contract or any dealings with us, and which may reasonably be regarded as confidential, including but not limited to information about the operations, products, processes, services, business, finances, dealings, transactions or affairs of us, our related parties, or any of our suppliers or customers, and all details of this Contract, and you must protect the security and confidentiality of such information.

Data Protection

- You hereby consent and must obtain the consent of Your Personnel involved in the supply of any of the Goods and/or Services, to our collection, storage, use, processing and disclosure of any of your or their personal information for the purposes of enabling us to communicate with you or Your Personnel, our requirements, our account with you or as disclosed in our privacy statement available on our website at www.encore-asia.com/privacy-policy-encore. In obtaining the consent of Your Personnel under this clause, you must expressly inform them of your disclosure of their personal data to us for these purposes and to the extent permitted by applicable law, you must indemnify, defend, and hold us harmless from any claims or damages arising from any use, collection, processing, storage or disclosure of such personal information.
- You must comply with and ensure Your Personnel comply with all laws and our notified policies relating to data protection and /or personal information which you or Your Personnel may collect or handle in connection with the PO and/or supply of the Goods or Services.

Termination and Liability

- Either party may terminate this Contract by written notice to the other if the other (**defaulting party**):
 - breaches any provision or warranty under this Contract which is capable of remedy and does not remedy the breach within a reasonable time of written notice to remedy, or breaches any material obligation under this Contract which is not reasonably capable of remedy; or
 - ceases to carry on business, or in your case, if there is a material adverse change in your ability to deliver the Goods and/ or Services either of which will be deemed to be a breach of the defaulting party's material obligations under this Contract.

Termination will not terminate a right which arose before termination or terminate a clause intended to survive termination including clauses 9(d), 12, 17, 19 to 25, 27, and 29 to 36, which will all survive termination.

- You must indemnify, defend and hold us harmless from and against any loss, damage, cost, (including our legal costs on an indemnity basis) expense or liability suffered or incurred by us to the extent caused or contributed by (a) any breach by you of any provision or warranty under this Contract; (b) any wrongful, unlawful or negligent act or omission by, or any misconduct of, you or any of Your Personnel; and/or (c) by reason of the Goods and/or Services being Defective.
- Your Personnel and all equipment and property used by you or Your Personnel in providing the Goods and/ or Services are at your risk at all times even if located on our premises.

General

- You must not assign or transfer, or purport to assign or transfer, or deal with your rights or obligations under this Contract, and must not without our prior written consent subcontract any obligation under this Contract.
- This Contract will be governed by and construed in accordance with the laws of The Peoples' Republic of China and any dispute arising out of or in connection with this Contract shall be submitted to the China International Economic and Trade Arbitration Commission (CIETAC) for arbitration. The place of arbitration shall be Beijing.
- All references to a currency are to Chinese RMB unless specified otherwise in the PO. If the PO specifies another currency the Price in RMB will be calculated at the exchange rate current at the PO date but if the exchange rate fluctuates before Delivery, we may adjust the Price accordingly.
- You have no authority to incur any liability for us or in our name. You agree that you are an independent contractor and not our employee or agent.
- These Terms are subject to any applicable law which cannot lawfully be excluded and any part of any clause that is illegal or unenforceable will be severed and the remaining provisions will continue in force.
- In these Terms words importing the singular include the plural and vice versa, no rules of construction will apply to the disadvantage of a party on the basis that party put forward these Terms or any part, the words "including" and "includes" are not words of limitation, and headings do not affect interpretation.
- If there is any conflict between any of the documents comprising this Contract the following order of priority will prevail (1) the PO, (2) these Terms and (3) the Quotation.
- This Contract is made in both English and Chinese version, which shall be equally authentic.