

# **RHINO Mechanical Connections Limited**

## **Terms and Conditions of Sale**

1. **AGREEMENT.** These terms and conditions and the provisions on the other side hereof, if any, constitute the entire agreement between RHINO Mechanical Connections Limited ("RHINO") and the buyer of RHINO products ("Buyer"). They replace all other statements, representations and agreements, oral or written, made by the parties or their representatives including, without limitation, conflicting or different provisions of Buyer's purchase order. In placing the order with RHINO, Buyer irrevocably submits to and accepts these conditions. No modification or addition to this agreement shall be binding upon RHINO unless specifically set forth in a writing signed by RHINO.
2. **QUOTATIONS.** Written quotations by RHINO automatically expire 30 days from date of quotation and are subject to termination by notice from RHINO within that period. RHINO shall have no liability in respect of any oral quotation or under any oral agreement unless such quotation or agreement is confirmed in writing by RHINO within 10 days thereafter. Buyer's purchase order shall be deemed an offer to contract subject to RHINO's terms and conditions. When RHINO accepts such purchase order in writing with an order acknowledgement, the agreement is concluded for the price and such other terms as set forth in the order acknowledgement. Additional or different terms in Buyer's purchase order or other communication shall not be binding upon RHINO unless agreed to by RHINO and Buyer in writing.
3. **TELEPHONED OR FAXED INSTRUCTIONS.** RHINO accepts no responsibility and Buyer will not hold RHINO responsible for errors or misunderstandings, whether or not due to RHINO's negligence, in complying with orders or instructions given to RHINO by telephone or fax. The foregoing also applies to orders or instructions given to a third party for transmittal to RHINO.
4. **CANCELLATION, DELIVERY, DEFERRED DELIVERY.** Orders for less than standard box or package quantities may be increased to standard quantities at RHINO's discretion without further notification. At RHINO's discretion, RHINO may split the order stipulated in Buyer's purchase order in separate orders, which shall then constitute separate agreements. Buyer may defer deliveries only upon Buyer's written request received by RHINO at least 10 days prior to the originally scheduled shipping date and Buyer's payment in full of the price of the products on or before that date, plus payment of storage charges thereafter. In no event may Buyer defer a delivery for more than 60 days without the express written agreement of RHINO.
5. **PRICES; ERRORS.** Unless otherwise specifically agreed in writing by RHINO, all prices, whether in RHINO's price list, quotation, order acknowledgement or elsewhere, are in U.S. dollars exclusive of any taxes, duties or similar charges and subject to change without notice at any time prior to shipment of the products. Prices shown on RHINO's price list or elsewhere are for information only and do not constitute quotations or offers to sell. RHINO reserves the right to correct errors in specifications or prices due to typographical, clerical or engineering errors or because of incomplete or inaccurate information from Buyer. Minimum order of \$100 net required.

# **RHINO Mechanical Connections Limited**

## **Terms and Conditions of Sale**

6. **TAXES.** Buyer shall be responsible for all duties, sales, use, excise or similar taxes or charges applicable to the sale or use of any products or the furnishing of any service, and Buyer shall indemnify RHINO against any liability thereunder.
7. **CONDITIONS OF PAYMENT.** Payment is due 30 days from date of invoice, unless otherwise agreed to in writing. Non-payment within this period will automatically result in Buyer's default and RHINO will have the right to charge Buyer interest on any outstanding amounts at the greater of 1.5% per month or the maximum allowed by law, as well as any of RHINO's extrajudicial and judicial collecting costs. Each payment will be deemed to be in settlement of first: costs, second: interest, and third: outstanding invoices in order of seniority irrespective of deviating Buyer's instructions. All payments shall be made free of deductions and set-offs (unless RHINO otherwise agrees in writing) by means of and at the address specified by RHINO. RHINO reserves the right to demand additional security on Buyer's part at any time, before or after conclusion of the contract. Should Buyer fail to provide the requested security, RHINO will have the right to suspend execution or dissolve the contract without any liability.
8. **SHIPPING, LOSS AND DAMAGE.** Buyer acknowledges that delivery dates provided by RHINO are estimates only and that RHINO is not liable for failure to deliver on such dates. RHINO reserves the right to make deliveries in installments. In case deliveries are made in installments, RHINO's payment conditions apply to each part delivered separately. Delay in delivery of one installment shall not entitle Buyer to cancel other installments. Risk of loss or damage to products shall pass to Buyer upon the earlier of Buyer accepting delivery at RHINO's facility or upon delivery by RHINO to a carrier of its choice. Apparent shortage, visual damage to shipping containers or possible concealed damage conditions must be noted on both consignee's and carrier's delivery receipt of record. RHINO shall not be responsible for any such conditions unless it and the carrier's local office are notified of such conditions within 5 days after the date of delivery.
9. **TOLERANCES.** Unless otherwise agreed in writing, all product dimensions are approximate. Consequently, Buyer shall take into account reasonable product tolerances and the standards customarily employed by RHINO.
10. **SPECIAL OR MODIFIED PRODUCTS.** RHINO shall have no duty to stock or provide spare or replacement parts or products. RHINO may modify or discontinue any product or line of products at any time without liability except to refund any amounts already paid for any such products that have been ordered but not yet delivered.
11. **RESERVATION OF OWNERSHIP.** Without prejudice to the provision of Clause 8 relating to the passing of risk, until the final settlement by Buyer of all payments due to RHINO, RHINO will retain the ownership of all products delivered by it as a guarantee for payment of all that is due without exception. Buyer shall insure all products supplied

# **RHINO Mechanical Connections Limited**

## **Terms and Conditions of Sale**

by RHINO against loss, theft and damage and store these products in such a way that they are clearly identifiable as the property of RHINO. Buyer is authorized to sell the products within the normal course of business. However, as long as Buyer has not fully paid all amounts due to RHINO, Buyer will not be allowed to make a loan on, to pledge or put the products delivered to him under mortgage, nor to let, lend or in any way or under any title take them away from the business. If Buyer fails to pay any due and payable claim of RHINO or if RHINO has good reason to be concerned that Buyer may fail to pay such debt, RHINO shall be entitled to take back, at Buyer's expense, the goods belonging to RHINO, wherever the goods may be. Such execution shall not be regarded as an act resulting in the cancellation of the agreement. Buyer is obliged to inform RHINO immediately if attachment of the products is made by third parties. If the law of the country in which the goods are located at any point in time does not permit a reservation of ownership by RHINO as stipulated in this clause, RHINO shall have the rights of a similar reservation of ownership that are permitted under the applicable law.

12. **DIES, TOOLS, ETC.** In the event Buyer is separately charged for dies, tools or gages, Buyer shall not obtain any ownership interest therein or the right to remove them from RHINO's plant unless specifically agreed otherwise in writing.
  
13. **WARRANTY.** RHINO products are warranted to be free from defects in material and workmanship at the time of shipment. NO OTHER WARRANTY, WHETHER EXPRESSED OR IMPLIED (INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), SHALL EXIST IN CONNECTION WITH THE SALE OR USE OF ANY RHINO PRODUCTS. Claims for errors, shortages, defects or nonconformities ascertainable upon inspection must be made in writing within 5 days after Buyer's receipt of products. All other claims must be made in writing to RHINO within 6 months from the date of shipment or transport. Products claimed to be nonconforming or defective must, upon RHINO's prior written approval in accordance with Clause 16 below, promptly be returned to RHINO for inspection. Claims not made as provided above and within the applicable time period will be barred. RHINO shall in no event be responsible if the products have not been stored or used in accordance with its specifications and recommended procedures. RHINO will, at its option, either repair or replace nonconforming or defective products for which it is responsible or return the purchase price to the Buyer. THE FOREGOING STATES BUYER'S EXCLUSIVE REMEDY FOR ANY BREACH OF RHINO WARRANTY AND FOR ANY CLAIM, WHETHER SOUNDING IN CONTRACT, TORT OR NEGLIGENCE, FOR LOSS OR INJURY CAUSED BY THE SALE OR USE OF ANY PRODUCT.
  
14. **LIMITATION OF LIABILITY.** RHINO excludes all liability except such liability that is directly attributable to the willful or gross negligence of RHINO's employees. Should RHINO be held liable its liability shall in no event exceed the total purchase price under the contract. RHINO shall in no event be responsible for any loss of business or profits, downtime or delay, labor, repair or material costs or any similar or dissimilar consequential loss or damage incurred by Buyer.

# RHINO Mechanical Connections Limited

## Terms and Conditions of Sale

15. **FORCE MAJEURE.** If RHINO is prevented from performing its obligations by force majeure, RHINO will have the right to suspend the performance of the agreement or to consider the agreement terminated in whole or in part, at RHINO's option, without judicial intervention and without RHINO being liable for any claims for damages or guarantees. Force majeure includes any circumstance, foreseen as well as unforeseen, as a result of which observance of the contract can no longer reasonably be expected by Buyer, including but not limited to war, sabotage, rebellion, revolt, transportation disturbances, strikes, accidents, fire, explosion, technical failures and delayed delivery by suppliers.
16. **RETURNS.** Returns will require the prior written approval of RHINO. RHINO will, upon request, furnish Buyer the terms and procedures governing returns. Except for in-warranty returns, returns for less than standard box or package quantities or with a total value of less than \$500 will not be accepted. Buyer will be responsible for a minimum restocking charge of 25% of the list price of the returned goods.
17. **ASSIGNMENT.** The rights and obligations of Buyer by virtue of these terms and conditions cannot be assigned by Buyer otherwise than to the successors and assignees of the entire business of Buyer. Upon written communication to Buyer, RHINO shall have the right to assign and transfer all its obligations and rights under the agreement with Buyer to a third party.
18. **SEVERABILITY.** If part of this agreement is or becomes invalid or non-binding, RHINO and Buyer shall remain bound to the remaining part. The invalid or non-binding part shall be replaced by provisions that are valid and binding and give effect to the contents and purpose of this agreement to the greatest extent possible.
19. **GENERAL.** This agreement shall be governed by Hong Kong law exclusively. All disputes arising in connection with this agreement shall be governed by the courts of Hong Kong. Captions have been inserted solely for convenient reference and shall not limit or affect any provision hereof. The United Nations Convention on Contracts for the International Sale of Goods (the "Vienna Sales Convention") shall not apply. No waiver by RHINO of any right or remedy on any prior occasion shall constitute RHINO's waiver of any such right or remedy on subsequent similar occasions.