

GENERAL TERMS & CONDITIONS OF PURCHASE (CHINA Region)

Under this Purchase Order ("PO"), the ENEXIO company, its affiliates or its branch specified in this PO ("we," or "us") agrees to purchase and you agree to sell the goods and services listed in this PO. This PO is deemed as accepted by you when you sign and stamp it. You cannot change the terms of this PO and we reject any terms you propose on your forms or otherwise. "Purchase Order" shall mean the form executed by the Buyer including these Standard Terms and Conditions and all Purchase Order Documents expressly incorporated therein being required or necessary for performance of the Purchase Order, such as Customer's requirements. The Purchase Order shall include all plans, prints, samples, test results, drawings, designs, specifications, general conditions, special conditions, modifications and/or addenda to the foregoing.

1. Prices and Payment You will sell to us at the price stated on this PO. If no price is stated, the price will be the lower of (a) the last price you charged or quoted us or (b) the lowest market price while you performed under this PO. The price includes all costs unless we agree in advance in writing to reimburse you, in which case you will list such costs on the bill without markup after any discount or rebate and provide copies of original receipts. You will not bill us for goods until you have delivered them nor for services until you have performed them. The payment terms time-period in this PO will begin once the required payment application documents are accepted by us. You will receive payment during the first 8 (eight) days following the expiry of the 60 (sixty) days payment terms time-period unless we will apply different payment terms due to mandatory law. We may withhold disputed amounts under this PO until the dispute is resolved, and we may offset any amounts you or your affiliates owe us.

2. Obligations You will ensure that all goods (including their packaging) and services will: (a) comply with our specifications (or your specifications that we have approved) and conform to all samples approved; (b) be free of defects, correctly labeled, made with new materials, and be of good quality and workmanship; (c) be suitable for their intended use; (d) not infringe, nor will our use of them infringe, anyone's intellectual property

rights or any other rights; and (e) be performed diligently and in a professional and workmanlike manner. You will ensure that you and the goods and services comply with: (i) all pertinent regulations, rules, interpretations, decisions, orders, and directions of federal and the cognizant state and municipal governments, and agencies and subdivisions thereof, safety rules and industry standards of the countries in which the goods are delivered or services are performed and/or will be used (provided we have advised you of those countries), and (ii) our applicable technical documentation and quality standards. You will pass ownership of goods at the time of their delivery to us. You acknowledge receiving the manuals and documentations, which are a part of this PO, and are subject to change. You will only deliver goods from a production site approved by us. You must tell us immediately if you learn of any potential quality, safety or labeling problem with the goods and services or any potential violation of your obligations in this PO. You hereby assign to us any warranties related to the goods and services, or if you cannot assign them, you agree to make claims under them on our behalf at our request. You will ensure that your employees, agents, and subcontractors comply with this PO and, when on our premises, our quality, safety and security requirements.

3. Rejection We will inspect goods and/or services within a reasonable time after delivery and notify you of any reasonably detectable non-compliance that exists and you will not claim forfeiture of our warranties in case of delayed inspection and notification. We may at our sole discretion reject and return to you at your expense, all or any part of the goods delivered in excess of the quantity ordered and/or which do not conform to the PO or your above obligations. In such a case you will, at our discretion, deliver replacement goods or services that conform to the PO and your obligations within a reasonable time, or refund us in full, or give us an appropriate discount. At our discretion we may also purchase substitute goods or services at your cost. You will also compensate us for any losses or damages we incur in connection with any of the above. You will bear any costs we incur in connection with the delivery of replacement goods and services including transportation, removal, examination, installation, etc. Regardless of our obligations you are responsible for testing,



inspection, quality control, and of providing required certificates.

4. Changes and Cancellation Before you deliver the goods or perform the services, we may request changes. If we demonstrate that a change will reduce your costs or if you demonstrate that a change will increase your costs or affect your ability to complete this PO on time, we will negotiate a fair adjustment to the price or schedule. We may cancel this PO with respect to any goods not yet delivered or services not yet performed by notifying you. After we notify you, you will take all reasonable steps to minimize costs due to our cancellation. As your exclusive remedy for cancellation for convenience, we will pay you for your unavoidable costs incurred before receiving our notice (less any savings realized from our cancellation) that you can document to our reasonable satisfaction.

5. Delivery of Goods Unless specified otherwise you will deliver the goods to us as stated in this PO under Incoterms 2010. If the delivery terms are not specified, they will be DDP to our "deliver to" location stated in this PO. If a fix delivery date or term is agreed for this PO, time is of the essence and if you deliver the goods or perform the services delayed, we may cancel the PO and will not pay for goods not delivered or services not performed at the agreed time. We may purchase substitute goods or services at your cost and you will compensate us for any other loss we incur. You will deliver on weekdays during our normal business hours. You will properly label all units with your name, description of goods, PO number, batch number and any other identifying information we require. You will provide accurate and complete information on all shipping and customs documents, including a description of the goods, country of origin and manufacture, currency, delivery terms and the actual manufacturing site. In case of the need of legal acceptance, such acceptance shall only occur if and when we issue a written statement in the form of an acceptance certificate.

The acceptance of late or defective deliveries shall not be deemed a waiver by us of our right to cancel this Purchase Order or to refuse to accept further deliveries.

6. Warranty You warrant to us that you have title to all Supplies furnished hereunder, free and clear of all liens and encumbrances, and the right to sell such Supplies. Further, you warrant that all Supplies

furnished under this Purchase Order be: a free from defects in design, material and workmanship; b) suitable for the use and purpose specified or referred to in this Purchase Order; c) suitable for any other use or purpose as represented in writing by us; d) in strict conformance with the drawings, specifications and design criteria supplied; e) new and of first-class quality and f) for all service related orders, services performed by you shall be performed in a workmanlike manner to the standard and quality set forth in the applicable industry. Unless otherwise specified in the Special Term of Purchase Order, the period of said warranty shall be twelve (12) months from delivery to the delivery address. All service related work ordered hereunder shall be warranted for a period of twelve (12) months. In case any replacement or repair for the Supply, the warranty shall renew another period of twelve (12) months.

You shall promptly repair or replace Supplies, which fail to conform to aforesaid warranty in any respect if such failure is discovered prior to or during the aforesaid warranty period. Cost of any "on-site" repair and of any replacement shall be borne by you. As we may incur extra costs as a direct result of faulty or incorrectly manufactured Supplies, all such direct costs will be borne by you. If you fail to proceed promptly to comply with the terms of this warranty, we may have work corrected and you shall be liable for all costs incurred therefore. The foregoing shall not be exclusive remedies, and we shall also have such other remedies as are available at law and in equity.

7. Insurance You will comply with the following in performing under this PO:

(a) Cargo insurance. You will furnish a Cargo insurance policy covering 100% of purchase order value and against all risks, including war risk.

(b) You will maintain, at your cost, commercial general liability insurance covering your obligations under this PO with combined single limits of at least RMB 5,000,000 per occurrence and in the aggregate.

(c) If your employees will be present on our premises, you will also maintain, at your cost, worker's compensation or local equivalent coverage as and in amounts required by applicable law. In addition, you will also maintain, at your cost, certain insurance policy to cover for losses generated in



case your activity leads to damage of our existing facility, equipment, injury or death of personnel.

(d) You will ensure that your insurance carrier waives rights of subrogation against us.

8. Dispute Resolution and Governing Law This Purchase Order and the Contract shall be governed by the Laws of the PRC, without regard to any provisions regarding conflict of laws. You shall comply with the applicable import and export laws and regulations of our country and of the PRC and with all applicable export licenses and their provisions.

9. Uncontrollable Events If either party is unable to comply with this PO because of events beyond its reasonable control, that party will promptly notify the other in writing and will make reasonable efforts to restore its ability to perform within 5 days. If the inability to perform continues for more than 10 days, the other party may cancel this PO immediately, without costs or penalty, by giving written notice to the party unable to perform. Unexpected cost increases caused by events or changing market conditions, and labor strikes, work slowdowns, or other job actions at your facility are not uncontrollable events.

10. Audits We may audit any of your facilities and records involved with this PO to evaluate your quality and compliance with specifications ("Quality Audits"), your compliance with our Corporate Compliance Policies ("CCA Audits"), and to verify that pricing, pass-through costs, reimbursable expenses, or other financial provisions conform to this PO ("Financial Audits"). We may conduct Quality and Financial Audits ourselves or through third-party representatives that we select or that you select from our pre-approved list, and you will not request any auditor to sign an additional agreement in order to conduct the audit. We may require re-audits periodically according to our risk assessment. If you have violated this PO, you will immediately take corrective actions that we reasonably require, and we or our representative may audit your facility or records as often as reasonably necessary to verify correction. If you refuse any audit, we can withhold payment and/or we may cancel the PO for cause.

11. Confidential Information Any non-public information that you learn about us, including but not limited to our technology in connection with

this PO, including the PO itself, is our confidential information and you may not disclose it to any third party. You may only use our confidential information to perform under this PO, and may share it only on a need-to-know basis with your employees (and others we have previously approved who have signed confidentiality agreements reasonably acceptable to us). We own the confidential information and you must return it and all copies to us or dispose of it in a manner approved by us if so requested by us.

12. Assignment of Intellectual Property Rights If you or your permitted sub-contractors design or develop work which could be subject of intellectual property rights for us all intellectual property rights, including trademarks, copyright, patent and design rights shall belong to, and automatically vest in us (as legally possible) and you will, at our request and expense, execute or procure the execution of such confirmatory assignments as we may require.

13. Taxes Unless both parties agree otherwise in writing, each party will be responsible for its own respective taxes as required by law. If you are required to charge tax (e.g., state use or sales tax) or we are required to withhold tax, then the required party will give the other the opportunity to demonstrate (and document) how such charge or withholding may be mitigated (for example, by providing a sales tax exemption certificate).

14. Corporate Social Responsibility You will comply with the following in performing under this PO:

(a) Child Labor. You will not directly (or indirectly through the use of your subcontractors) employ any children under the age of 18 years of age unless the following are met:

(i) You will comply with the minimum employment age limit defined by national law or by International Labor Organization ("ILO") Convention 138, whichever is higher. The ILO Convention 138 minimum employment age is the local mandatory schooling age, but not less than 15 years of age (14 in certain developing countries), subject to exceptions allowed by the ILO and national law.

(ii) You will ensure that employees working in facilities that are manufacturing or packaging our finished products, serving as temporary employees to us, or present at our facilities, are at least 15 years of age (and no exceptions allowed by the ILO or national law will apply).



(iii) You must demonstrate that their employment does not expose them to undue physical risks that can harm physical, mental, or emotional development.

(b) Safety and Health You will (i) endeavor to provide safe working conditions, (ii) provide your employees with appropriate protection from exposure to hazardous materials, and (iii) provide your employees with access to potable water and clean sanitation facilities.

(c) Business Integrity You will promote honesty and integrity in your business conduct by raising ethical awareness among your employees and providing direction and education on ethical issues. Further, you will not: pay or accept bribes, arrange or accept kickbacks, or participate in illegal inducements in business or government relationships.

(d) Terrorism You and/or your subcontractors will not deploy nor subcontract persons or other subcontractors which are listed in actual sanction lists as they become official. These include, but are not limited to, (EG) No. 2580/2001 Terrorism; (EG) No. 881/2002 Al-Quaida; (EU) No. 753/2011 Afghanistan; any and all Embargo Regulations of the EU.

(e) Prohibition Of Hazardous Material: Buyer specifically prohibits the use of any materials which contain asbestos, particularly in seals, gaskets or insulations. These examples are not intended to be a complete listing of asbestos containing elements, and any other use or inclusion is equally prohibited.

15. Anti-Bribery You will not offer or pay, directly or indirectly, money or anything of value for or on behalf of us (including our affiliates) to a Government Official for the purpose of obtaining or retaining our business or obtaining a business advantage for us or to assist us in directing business to any person. "Government Official" includes officials or employees of government, state-owned businesses, international organizations, or political parties, political candidates, or any person otherwise acting in an official capacity for or on behalf of a government entity or international organization. You will not offer or pay, directly or indirectly, money or anything of value for or on behalf of us (including our affiliates) to any other person or legal entity for any illegal purpose. If we have reason to believe that a breach of any of the representations in this clause has occurred or may

occur, we may withhold further payments under this PO until such time as we have received confirmation to our satisfaction that no breach has occurred or will occur. We may cancel this PO immediately if we conclude, in our sole opinion, that you have breached any representation in this clause or that a breach is substantially likely to occur.

16. Sub-contracting and Assignment You will not sub-contract or assign any of your rights or obligations under this PO without our prior written approval, which we may not unreasonably withhold. We may freely assign all or any portion of this PO without your consent.

17. Termination for default If you are in default of any material provision of this Purchase Order, and fail to fully cure the same within seven (7) days after receipt of written notice thereof from us, or such longer period not to exceed thirty (30) days as may be reasonably required to cure the same, provided you have not commenced to cure the default within seven (7) days after receipt of such written notice and do not diligently pursue such cure, we may, without prejudice to any other right or remedy, terminate this Purchase Order by written notice to you.

Insolvency: If any proceeding is instituted against you seeking to adjudicate you as bankrupt or insolvent, or if you make a general assignment for the benefit of your creditors, or if a receiver is appointed on account of your insolvency, or if you file a petition seeking to take advantage of any other Law relating to bankruptcy, insolvency, reorganization, winding up or reorganization or readjustment of debts and, in the case of any such proceeding instituted against you and such proceeding is not dismissed within forty-five (45) days of such filing, we may without prejudice to any other right or remedy we may have, terminate this Purchase Order by written notice to you.

18. Indemnification You shall indemnify and us hold harmless, our owners, parents, affiliates, subsidiaries, agents, directors, employees and all persons claiming against us from any Liabilities arising from and in connection with your performance under this Purchase Order including (i) your the acts or omissions, your agents and employees and others under your direction or control except to the extent such Liabilities are caused by or are the result of the gross negligence or willful misconduct of us; (ii) assertions under



Workers' Compensation or similar employee benefit acts made by you or any of your employees, agents, subcontractors, or subcontractors' employees or agents; (iii) any other claim which may be asserted by any of your employees, agents, subcontractors or subcontractor's employees or agents against us except to the extent such claim is proven to have been the direct result of the gross negligence or willful misconduct of us; or (iv) all claims that may be brought against us by reason of your failure to comply with any applicable International, federal, state, county, and local laws, ordinances, regulations and codes. Liabilities shall mean all judgments, Purchase Orders, awards, claims, damages, losses, costs and expenses, including, but not limited to, court costs and reasonable attorneys' fees. Liabilities shall also include, but not be limited to, those that are attributable to personal injury, sickness, disease or death; and/or result from injury to or destruction of real or personal property including loss of use thereof, theft, misuse or misappropriation.

19. Conflicts and Entire Agreement If this PO references an existing agreement and there are discrepancies between such an agreement and the terms of these terms & conditions, the terms of that agreement shall prevail over these terms & conditions. Otherwise, this PO (along with any existing agreement referenced in this PO) is the entire agreement between you and us with respect to the goods and services, and no prior discussion, agreement, conduct, or industry practice will affect it. Subsequent changes to the PO must be in a written document signed by both parties. We may modify these terms & conditions by stating so in this PO.

20. Independent Contractor This PO does not create a partnership or joint venture between the parties nor confer on any person who is not a party to this PO any right to enforce any term of this PO. Each party is an independent contractor, has no authority to bind the other party, and is solely responsible for its respective employees and subcontractors.

21. Severability If any part of this PO cannot be legally enforced, then the parties agree that the provision will be deemed modified as necessary to make it enforceable while remaining as consistent as possible with the parties' intent as expressed in the PO.

22. Non-Exclusivity This PO is not exclusive, and either party is free to enter into similar agreements with anyone else, unless otherwise stated on this PO.

23. Survival The completion or cancellation of this PO, will not affect any rights and obligations that by their nature should continue.

24. Language. This PO may be executed in another language in addition to English. In case of conflicts between the versions the English version shall prevail.