

GENERAL CONTRACT TERMS AND CONDITIONS OF PURCHASE

1. General

Our conditions of purchase shall exclusively apply to all shipments and other services of our Sellers unless otherwise expressly agreed in writing. Any of the Seller's conditions which are contrary to or which differ from our conditions shall not be recognized unless they have been accepted by us in writing. This shall also apply if we are aware of the Seller's conditions which are contrary to or which differ from our conditions of purchase and accept the Seller's delivery without reservation. Seller acknowledges our conditions of purchase in its acceptance of our order.

Our conditions of purchase shall apply without express agreement to all future business with the Seller.

2. Prices and Payment

The prices specified in our order shall be binding. The prices stated are net prices without value added tax unless otherwise specified. Unless otherwise agreed in writing the prices shall include all transport or dispatch costs as well as packaging.

The Seller is not authorized to assign any claims against us to a third party unless we give our written consent.

3. Orders

For the extend of the Seller's contractual obligation our written order shall be decisive. It shall contain a full description of the goods to be supplied as well as a price and required delivery date.

All our orders shall be confirmed by the Seller in writing. We shall remain bound by our written order for seven (7) days after the date of the order. Any confirmations of orders which are received after this period shall be deemed as new offers and shall require our written acceptance. Confirmation of orders by the Seller must be made in writing.

The confirmation of order shall be satisfied in written form by transmission using fax or email.

4. Shipment

Unless otherwise agreed in writing, all shipments from the Seller must be in accordance with the agreed International Commercial Terms (INCOTERMS 2000) which is in force at the time of the order.

The Seller is only authorized to make partial shipments or partial services with our written consent.

The shipment time stated in the contract shall be binding and any specified periods of shipment shall start to run from the date of the order. If the Seller realizes that they are not in a position to meet the shipment date, we must be informed of this in writing immediately.

The place of performance for the order shall be the agreed place specified in the order for the shipment of goods.

In the event of delay of the deliveries we are entitled to our claims, in particular, to purchase the goods from other suppliers and the difference in prices to be paid by the Seller. Alternatively, we shall be entitled to claim compensation for each full week of delay in the amount of 1% of the amount to a maximum of 10% of the amount, proof of which may be given the parties.

kind or products with comparable constituents, we are entitled to cancel any orders that have not yet been delivered as well as to return any goods already delivered upon reimbursement of the purchase price. The right to cancel and to return goods can be exercised within one month of the warning being made public for the first time. Further claims on our part due to defective goods shall remain unaffected.

8. Indemnity

The Seller shall indemnify us on first demand from all third party claims that are made against us arising out of breaches of obligation, breaches of trademark rights or interference by the Seller to other third party rights, if and to the extent to which the Seller is similarly obliged to us in the internal relationship. The Seller shall reimburse us for any necessary expenses arising from or in connection with the claim by the third party.

If a producer's liability claim is made against us due to a fault in the goods delivered by the Seller, the Seller shall indemnify us on first demand from the producer's liability resulting from the fault insofar as the cause of the fault is within the Seller's field of control and organization and if the Seller is liable externally. The Seller is obliged to maintain an extensive product liability insurance policy; any further claims for compensation that we have shall remain unaffected.

9. Force Majeure

Either the Seller or the Buyer will be excused from the obligation of this contract to the extent that performance of their obligations is delayed or prevented by any circumstance (except financial) reasonably beyond its control such as fire, flood, drought, natural unavailability or raw materials, explosion, mechanical breakdown, strikes or other labor trouble, plant shutdown, unavailability of or interference with the usual means of transporting the product or compliance with any law, regulation, order, recommendations, or request of any governmental authority.

In the event of a force majeure, the affected party shall immediately give notice and provide evidence to the other party.

The fulfillment of the contract shall thereupon be considered suspended during the continuance and within the scope of such hindrance. Upon the termination of the event of force majeure, the parties shall promptly resume the discharge of their obligations under the terms of this contract.

The Seller is not entitled to assert any rights of disclaimer of service or rights of retention unless such rights have been acknowledged by us in writing or legally ascertained.

5. Quality

The shipped goods must comply with the specifications and quality requirements in the order. The Seller is obliged to point out in writing any possible limitations on use and declarations of obligations for the delivered goods.

6. Inspection

The Seller guarantees that the delivered goods comply with the sample and/or contractual agreements. If no specific criteria as to quality have been agreed then the goods must be of usual commercial quality. Any specifications as to quality or quantity as well as other specifications contained in the order must be strictly observed.

We are entitled to make any statutory claims for defects without limitation.

Insofar as immediate inspection of the delivered goods is practicable in the due course of business, we shall inspect the goods following shipment to agreed place of delivery immediately. Defects which are identified during the inspection must be notified directly after the end of the inspection. Defects which were not identifiable during inspection must be notified directly after discovery. Notice of defects can be made in writing or verbally.

The Seller agrees that the inspection of goods may be carried out on a sample basis as far as this corresponds to the nature and extend of the delivery as well as to the usual course of business.

The Seller cannot claim a breach of the obligation on our part to notify defects if the defect in the goods arises from circumstances of which the Seller is aware or of which it is only unaware owing to gross negligence.

7. Recall, Warning, and Other Statutory Product Safety Measures

If the Seller is obliged under statutory safety provisions to inform the relevant authorities of an indication that the goods could endanger the health or security of people and/or objects or that the goods do not comply with other requirements for duly placing the product on the market, the Seller must inform us in writing of the same immediately.

If a warning, recall, or other such measure ordered pursuant to statutory product safety provisions is issued in relation to the goods, or the Seller or earlier supplier or a manufacturer issue such a measure, the supplier is liable to us for any resulting damages including the costs for the withdrawal of the goods, as far as the supplier is responsible for the reason behind the measure.

If we issue a warning, recall or other necessary measure pursuant to statutory product safety provisions, the supplier shall be given the opportunity to make any comments provided this appears practicable and reasonable particularly in view of the urgency of the measure. The Seller is liable to us for any damages arising from the measure including the necessary costs for the implementation of the measure, as far as the Seller is responsible for the reason behind the measure.

If any actual or alleged health risks are made public, especially in the media, advising against the purchase or use of the goods or products of a comparable The award of Arbitration shall be final and binding upon both parties.

Should it be necessary after arbitration for the Seller or the Buyer to institute legal proceedings on this contract, then such suit shall be brought at the proper court in Pasig City, Philippines, alone, to the exclusion of all others. Attorney's fees shall be paid by the party at fault.

12. Default

In the event either Buyer or Seller fails, refuses or neglects to perform any of its obligations herein stated, the affected party shall give written notice of such fact within seven (7) days from receipt of such written notice of default, the defaulting party shall have the right to cure or remedy its act of default. In the even the defaulting party is unable to cure or remedy its default within the grace period, then the affected party may terminate the contract and recover damages which are the natural and probable consequences of the default and which the parties have foreseen or could have reasonably foreseen.

If the Buyer is declared insolvent, makes application to a Court of law for suspension of payments of its debts or in any other way loses the free use of its assets, offers a composition to its creditors, is in default to comply with any obligation to the Seller, or if buyer ceases to carry on its business or – in the case of a legal entity – if it is liquidated, all amounts that the Buyer has to pay or will have to pay to Seller shall be due and payable forthwith

13. Electronic Document Transmissions

EDT (Electronic document transmissions) shall be deemed valid and enforceable in respect of any provisions of this contract. As applicable, this contract shall be:

- Incorporate U.S. Public Law 106-229, "Electronic Signatures in Global and National Commerce Act" or such other applicable law conforming to the UNCITRAL Model Law on Electronic Signatures (2001) and

ELECTRONIC COMMERCE AGREEMENT (ECE/TRADE/257, Geneva, May 2000) adopted by the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT).

- EDT documents shall be subject to European Community Directive No. 95/46/EEC, as applicable. Either Party may request hard copy of any document that has been previously transmitted by electronic means provided however, that any such request shall in no manner delay the parties from performing their respective obligations and uties under EDT

If the impediment continues for a period exceeding three (3) months, either party will be entitled to cancel the balance of this contract.

10. Confidentiality

The Seller shall regard the full contents of our order as a commercial secret and shall treat it as very confidential.

11. Place of Fulfillment/Arbitration/Venue

Place for fulfillment of delivery is the point of delivery specified in the Seller's written confirmation of the Buyer's order.

Place for fulfillment of payment shall be the place where the bank account of the Seller is located.

All disputes, controversies or differences arising out of or relating to this Contract or the breach thereof, which cannot be settled by mutual accords, shall be settled by the Hong Kong International Arbitration Center (www.hkiac.org) in accordance with the Hong Kong Law on Arbitration.

The award of Arbitration shall be final and binding upon both parties.

Should it be necessary after arbitration for the Seller or the Buyer to institute legal proceedings on this contract, then such suit shall be brought at the proper court in Pasig City, Philippines, alone, to the exclusion of all others. Attorney's fees shall be paid by the party at fault.

instruments.

14. Final Statements

The failure to return the contract signed in no way implies a non-acceptance of any of the terms and conditions therein.

All amendments and changes in the present contract must be signed by both parties.

The contract parties shall not transfer or assign the contract.

Signatures on this Contract received by way of Fax, Mail and Email shall be an executed contract. Agreement enforceable and admissible for all purposes as may be necessary under the terms of the Contract.