



KARL MAYER

WE CARE ABOUT YOUR FUTURE

KARL MAYER (H.K.) Limited

STANDARD TERMS AND CONDITIONS OF SALE

Valid from 1st May 2010

1. INTERPRETATION

1.1. In these conditions:

- (a) "Acceptance Protocol Sheet" means the standard acceptance sheet issued by the Seller to be countersigned by the Buyer confirming acceptance of and satisfaction with the Goods after Seller's technician has checked and signed that the Goods are properly installed and are in good working condition.
- (b) "the Buyer" means any persons, firms or corporations placing orders with the Seller for goods to be supplied by the Seller.
- (c) "Conditions" means the standard terms and conditions of sale set out in this document and incorporated by reference into the Order Confirmation to which these Conditions are annexed and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Buyer and the Seller.
- (d) "Contract" means the contract for the sale and purchase of the Goods as entered by the Seller into the Order Confirmation.
- (e) "Delivery Address" means the address of the Buyer (if any) stated on the face of the Order or confirmed in writing by the Buyer.
- (f) "The Goods" means the subject matter of any order placed by the Buyer with the Seller in accordance with these conditions and includes without limitation the goods which are the subject of the Order Confirmation.
- (g) "Order" means any order placed by the Buyer with the Seller for the supply of the Goods and confirmed by the Seller in an Order Confirmation.
- (h) "Order Confirmation" means the sales order confirmation made by the Seller for the supply of the Goods ordered by the Buyer and substituting and replacing in all respects any offer made by the Seller and as set out in the document to which these Conditions are annexed.
- (i) "The Ordinance" means the Sale of Goods Ordinance of Hong Kong and all statutory amendments thereto.
- (j) "Price" means the price of the Goods.
- (k) "the Seller" means KARL MAYER (HK) Limited.
- (l) "Specification" means the Buyer's technical description (if any) of the Goods contained or referred to in the Order.
- (m) "Vessel" includes ships, aircraft, trains and trucks.
- (n) "Writing" includes facsimile transmission.

- 1.2. Any reference in these Conditions to any provision of a statute shall be construed as a reference to that provision as amended, reenacted or extended at the relevant time.
- 1.3. The headings in these Conditions are for convenience only and shall not affect their interpretation.

2. BASIS OF SALE

- 2.1. The Seller shall sell and the Buyer shall purchase the Goods in accordance with any written quotation of the Seller which is accepted by the Buyer or any written order of the Buyer which is accepted by the Seller, subject in either case to these Conditions, which shall govern the Contract to the exclusion of any other terms and conditions subject to which any such quotation is accepted or purported to be accepted, or any such order is made or purported to be made, by the Buyer.
- 2.2. Unless otherwise agreed in writing by the Seller, these conditions shall override any terms or conditions stipulated, incorporated, or referred to by the Buyer whether in the Order or in any antecedent negotiations warranties, and any such conditions whether directly between the Buyer and the Seller or through their respective representatives or otherwise, are excluded and hereby negated.

- 2.3. No variation to these Conditions shall be binding unless agreed in Writing between the authorised representatives of the Buyer and the Seller.
- 2.4. The Seller's employees or agents are not authorised to make any representations concerning the Goods unless confirmed by the Seller in Writing. In entering into the Contract the Buyer acknowledges that it does not rely on, and waives any claim for breach of, any such representations which are not so confirmed.
- 2.5. use of the Goods which is not confirmed in Writing by the Seller is followed or acted upon entirely at the Buyer's own risk, and accordingly the Seller shall not be liable for any such advice or recommendation which is not so confirmed.
- 2.6. Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by the Seller shall be subject to correction without any liability on the part of the Seller.

3. ORDERS AND SPECIFICATIONS

- 3.1. No order submitted by the Buyer shall be deemed to be accepted by the Seller unless and until confirmed in Writing by the Seller and no contract shall be concluded until the Seller shall have notified the Buyer of the acceptance by the Seller of an order received from the Buyer.
- 3.2. The Buyer shall be responsible to the Seller for ensuring the accuracy of the terms of any order (including any applicable specification) submitted by the Buyer, and for giving the Seller any necessary information relating to the Goods within a sufficient time to enable the Seller to perform the Contract in accordance with its terms.
- 3.3. The quantity, quality and description of and any specification for the Goods shall be those set out in the Seller's quotation (if accepted by the Buyer) or the Buyer's order (if accepted by the Seller).
- 3.4. If the Goods are to be manufactured or any process is to be applied to the Goods by the Seller in accordance with a specification submitted by the Buyer, the Buyer shall indemnify the Seller against all loss, damages, costs and expenses awarded against or incurred by the Seller in connection with or paid or agreed to be paid by the Seller in settlement of any claim for infringement of any patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person which results from the Seller's use of the Buyer's specification.
- 3.5. The Seller reserves the right to make any changes in the specification of the Goods which are required to conform with any applicable safety or other statutory requirements or, where the Goods are to be supplied to the Seller's specification, which do not materially affect their quality or performance.
- 3.6. No order which has been accepted by the Seller may be cancelled by the Buyer except with the agreement in Writing of the Seller and on terms that the Buyer shall indemnify the Seller in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by the Seller as a result of cancellation.

4. PRICE OF THE GOODS

- 4.1. The price of the Goods shall be the Seller's quoted price or, where no price has been quoted (or a quoted price is no longer valid), the price listed in the Seller's published price list current at the date of the Order Confirmation. Where the Goods are supplied for export from Hong Kong, the Seller's published export price list shall apply. All prices quoted are valid for 30 days only after which time they may if not already accepted by the Buyer be altered by the Seller without giving notice to the Buyer.
- 4.2. The Seller reserves the express right, by giving notice to the Buyer at any time before delivery, to increase the Price of the Goods to reflect any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as, without limitation, any foreign exchange fluctuation, currency regulation, alteration of duties, significant increase in the costs of labour, materials, special tooling or other costs of manufacture, operation, transport and miscellaneous charges), any change in delivery dates, quantities or specifications for the Goods which is requested by the Buyer, or any delay caused by any instructions of the Buyer or failure of the Buyer to give the Seller adequate information or instructions.
- 4.3. Any quotation by the Seller shall remain open for a maximum period of 30 days and the Seller reserves the express right of withdrawal before the expiry of such 30 days period of any quotation which at the date of exercise of such right of withdrawal shall not have been the subject of any order by the Buyer communicated to and received by the Seller.
- 4.4. Except as otherwise stated under the terms of any quotation or in any price list of the Seller, and unless otherwise agreed in Writing between the Buyer and the Seller, all Prices are given by the Seller on an ex works basis, and where the Seller agrees to deliver the Goods otherwise than at the Seller's premises, the Buyer shall be liable to pay the Seller's charges for transport, packaging and insurance. The Price shall not include any costs of transportation and/or insurance, tax, notarisaton or consular legalisation or other fees, surcharges, levies or duties whatsoever which shall be for the account of the Buyer. Such price quotations shall where necessary, at the sole discretion of the Seller, include the costs of export packing by the Seller.
- 4.5. The Price is exclusive of any applicable value added tax, which the Buyer shall be additionally liable to pay to the Seller.

5. TERMS OF PAYMENT

- 5.1. Unless otherwise expressly agreed to in writing by the Seller, the terms of payment for the Goods shall be by irrevocable, confirmed letter of credit.
- 5.2. The Seller reserves the right to charge to the Buyer interest (both before and after any judgment) at the rate of 1% per month on any outstanding overdue payment and also on any storage and other charges incurred until full payment shall have been made (a part of a month being treated as a full month for the purpose of calculating interest).
- 5.3. If the Buyer for whatever reason fails to pay the Price, or any portion thereof on the due date therefor, the Seller may, in its discretion, either insist upon the performance of the present contract, or repudiate the same and all other executory contracts with the Buyer, without granting a period of grace to the Buyer.

5.3.1 The Seller shall be entitled further to:

5.3.1.1 suspend any further deliveries to the Buyer;

5.3.1.2 appropriate any payment made by the Buyer to such of the Goods (or the goods supplied under any other contract between the Buyer and the Seller) as the Seller may think fit (notwithstanding any purported appropriation by the Buyer).

5.3.2 If the Seller keeps the contract alive, it shall not be bound to perform its part of the contractual obligations until the Buyer performs its obligations. In whichever case, the Seller's right to any claim and/or damages shall not be affected.

5.4 In the event that the Buyer shall fail to take delivery of the Goods and pay for them, the Seller shall be at liberty at any time to sell or otherwise dispose of the Goods and the Buyer shall be responsible for and indemnify the Seller against any difference between the contract price and the proceeds of sale and disposal and for all charges incurred, interest charged, additions to or increases of the contract price and also for all damages, and consequential losses arising from such breach by the Buyer.

5.5 Subject to any special terms agreed in Writing between the Buyer and the Seller, the Seller shall be entitled to invoice the Buyer for the Price on or at any time after delivery of the Goods, unless the Goods are to be collected by the Buyer or the Buyer wrongfully fails to take delivery of the Goods, in which event the Seller shall be entitled to invoice the Buyer for the Price at any time after the Seller has notified the Buyer that the Goods are ready for collection or (as the case may be) the Seller has tendered delivery of the Goods.

5.6 The time of payment of the Price shall be of the essence of the Contract. Receipts for payment will be issued only upon request.

5.7 The purchase price shall be deemed to be fully paid only if the respective remittance arrives at the place of the Seller's domicile or at another place (if any) designated by the Contract or otherwise designated in writing by the Seller to the Buyer.

5.8 The Buyer shall not have the right to withhold any portion or whole of the Price for any counter-claims whatsoever, nor to set off any claims lodged with the Seller.

5.9 If payment is by means of a letter of credit, the terms and conditions of such a letter of credit must not differ from the terms and conditions of the Contract.

5.10 The Seller shall not be bound to dispatch the Goods if the letter of credit is not opened within the term fixed in the Contract, or in compliance with sub-clause (5.9) hereof.

6. DELIVERY

6.1 Delivery of the Goods shall be made by the Seller over the side of the carrying vessel of shipment or, if some other place for delivery is agreed by the Seller, by the Seller delivering the Goods to that place.

6.2 Any dates quoted for delivery of the Goods are approximate estimation only and the Seller shall not be liable for, or for any consequences of, and delay in delivery of the Goods howsoever caused. Time for delivery shall not be of the essence unless previously agreed by the Seller in writing. The Goods may be delivered by the Seller in advance of the quoted delivery date upon giving reasonable notice to the Buyer.

6.3 Where the Goods are to be delivered in installments, each delivery shall constitute a separate contract and failure by the Seller to deliver any one or more of the installments in accordance with these Conditions or any claim by the Buyer in respect of any one or more instalments shall not entitle the Buyer to treat the Contract as a whole as repudiated.

6.4 If the Buyer fails to take delivery of the Goods or fails to give the Seller adequate delivery instructions at the time stated for delivery (otherwise than by reason of any cause beyond the Buyer's reasonable control or by reason of the Seller's fault) then, without prejudice to any other right or remedy available to the Seller, the Seller may:

6.4.1 store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage;

6.4.2 sell the Goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to the Buyer for the excess over the price under the Contract or charge the Buyer for any shortfall below the price under the Contract.

7. RISK, PROPERTY AND PASSING OF TITLE

7.1 Risk of damage to or loss of the Goods shall pass to the Buyer:

7.1.1 in the case of Goods to be delivered at the Seller's premises, at the time when the Seller notifies the Buyer that the Goods are available for collection; or

7.1.2 in the case of Goods to be delivered otherwise than at the Seller's premises, at the time when the Goods are placed by the Seller into the custody of the carrier at the air or sea port of shipment who shall be deemed agent of the Buyer.

7.2 Notwithstanding delivery and the passing of risk in the Goods, or any other provision of these Conditions, the legal and equitable title to and the property in the Goods shall expressly not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the Price of the Goods and all other Goods agreed to be sold by the Seller to the Buyer for which payment is then due and of any interest and additional costs.

7.3 Until such time as the legal and equitable title to and the property in the Goods passes to the Buyer:

7.3.1 the Buyer shall not incorporate the Goods into its assets;

7.3.2 the Buyer shall possess the Goods on a fiduciary basis only with the right to sell the same for the account of the Seller and with a fiduciary duty to account to the Seller for the proceeds of such sale to the full extent of monies then owed by the Buyer to the Seller;

7.3.3 the Buyer shall hold the Goods as the Seller's fiduciary agent and bailee, and shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured;

7.4 Until such time as the legal and equitable title to and the property in the Goods passes to the Buyer, the Seller shall be entitled at any time to require the Buyer to deliver up the Goods to the Seller and, if the Buyer fails to do so forthwith, to enter upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods.

- 7.5 The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the Goods which remain the property of the Seller, but if the Buyer does so all moneys owing by the Buyer to the Seller shall (without prejudice to any other right or remedy of the Seller) forthwith become due and payable.
- 7.6 (a) The responsibility of the Seller shall cease immediately the Goods are placed by the Seller into the custody of the carrier at the air or sea port of shipment who shall be deemed agent of the Buyer, and the Seller shall be under no obligation to give the Buyer the notice specified in Section 34(3) of the Ordinance.
- (b) The Goods shall travel at the risk and peril of the Buyer even when the Seller shall expressly undertake carriage and customs costs and the Buyer shall accordingly be exclusively responsible for all relevant insurance cover to the full value of the Goods in the books of the Buyer. In case of conflict, Incoterms used in the Order Confirmation shall apply.
- 7.7 Nothing in this clause shall for any other purpose affect the relationship of Seller and Buyer borne by the parties hereto nor shall confer any right upon the Buyer to return the goods sold under any invoice or otherwise or to refuse or delay payment.

8. INSPECTION

- 8.1 Any inspection of the Goods by or on behalf of the Buyer prior to shipment thereof by the Seller shall be binding on the Buyer so that the Buyer must accept and pay for the same unless the Seller prior to shipment of the Goods receives written notice from the Buyer either notifying rejection of the Goods or alleging grounds for complaint.
- 8.2 If there is no inspection of the Goods prior to shipment thereof the Goods shall be deemed to be in all respects in accordance with the Contract and the Buyer shall be bound to accept and pay for the same accordingly.

9. WARRANTIES AND LIABILITY

- 9.1 Subject to the conditions set out below the Seller warrants that the Goods will correspond with their specification at the time of delivery and will be free from defects in material and workmanship for a period of twelve (12) months calculated from the date of dispatch from the factory after which all relative warranties and conditions pursuant to the Ordinance shall not apply.
- 9.2 Any description given of the Goods has been given by way of identification thereof only and shall not constitute a sale by description for the purpose of the Ordinance or otherwise.
- 9.3 The above warranty in 9.1 is given by the Seller subject to the following conditions:
- 9.3.1 the Seller shall be under no liability in respect of any defect in the Goods arising from any drawing, design or specification supplied by the Buyer;
- 9.3.2 the Seller shall be under no liability in respect of any defect arising from fair wear and tear, wilful damage, negligence, abnormal working conditions, failure to follow the Seller's instructions (whether oral or in writing), misuse or alteration or repair of the Goods without the Seller's approval;
- 9.3.3 the Seller shall be under no liability under the above warranty (or any other warranty, condition or guarantee) if the total price for the Goods has not been paid by the due date for payment;
- 9.3.4 the above warranty does not extend to parts, materials or equipment not manufactured by the Seller, in respect of which the Buyer shall only be entitled to the benefit of any such warranty or guarantee as is given by the manufacturer to the Seller.
- 9.4 Any claim by the Buyer which is based on any defect in the quality or condition of the Goods or their failure to correspond with Specification shall (whether or not delivery is refused by the Buyer) be notified to the Seller within 7 days from the date of delivery or (where the defect or failure was not apparent on reasonable inspection) within a reasonable time after discovery of the defect or failure. If delivery is not refused, and the Buyer does not notify the Seller accordingly, the Buyer shall not be entitled to reject the Goods and the Seller shall have no liability for such defect or failure, and the Buyer shall be bound to pay the price as if the Goods had been delivered in accordance with the Contract.
- 9.5 Where any valid claim in respect of any of the Goods which is based on any defect in the quality or condition of the Goods or their failure to meet Specification is notified to the Seller in accordance with these Conditions, the Seller shall be entitled to replace the Goods (or the part in question) free of charge and the Seller shall have no further liability to the Buyer whatsoever.
- 9.6 Except in respect of death or personal injury caused by the Seller's negligence, the Seller shall not be liable to the Buyer by reason of any representation, or any implied warranty, condition or other term, or any duty at common law, or under the express terms of the Contract, for any consequential loss or damages (whether for loss of profit or otherwise), costs, expenses or other claims for consequential compensation whatsoever (and whether caused by the negligence of the Seller, its employees or agents or otherwise) which arise out of or in connection with the supply of the Goods or their use or release by the Buyer, except as expressly provided in these Conditions.
- 9.7 The Seller shall not be liable to the Buyer or be deemed to be in breach of the Contract by reason of any delay in performing, or any failure to perform, any of the Seller's obligations in relation to the Goods, if the delay or failure was due to any cause beyond the Seller's reasonable control. Without prejudice to the generality of the foregoing, the following shall be regarded as causes beyond the Seller's reasonable control:
- 9.7.1 Act of God, explosion, flood, tempest, fire or accident;
- 9.7.2 war or threat of war, sabotage, insurrection, civil disturbance or requisition;
- 9.7.3 act, restrictions, regulations, bye-law, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;
- 9.7.4 import or export regulations or embargoes;
- 9.7.5 strikes, lock-outs or other industrial actions or trade disputes (whether involving employees of the Seller or of a third party);
- 9.7.6 difficulties in obtaining raw materials, labour, fuel, parts or machinery;
- 9.7.7 power failure or breakdown in machinery.

- 9.8 The Buyer shall take the Goods at its own risk both as to their corresponding with any sample exhibited to such Goods and inspected by it and as to their quality condition or sufficiency for any purpose notwithstanding that such purpose may be made known to the Seller which does not give any warranty as to the quality state condition or fitness of the Goods which must be taken by the Buyer with all faults and imperfections.
- 9.9 The Seller's liability under condition 9.1 of these condition shall only arise if:
- (a) the Buyer shall have paid in full all invoices for Goods supplied by the Seller;
 - (b) the Seller's representatives shall have been given full and free right of access to the Goods;
 - (c) the Buyer shall not have misused, neglected or used other replacements and shall have properly maintained or applied the Goods in accordance with instructions, pamphlets or directions given or issued by the Seller from time to time.

10. INDEMNITY

- 10.1 If any claim is made against the Buyer that the Goods infringe the patent, copyright, design, trade mark or other industrial or intellectual property rights of any other person, the Seller shall indemnify the Buyer against all loss, damages, costs and expenses awarded against or incurred by the Buyer in connection with the claim, or paid or agreed to be paid by the Buyer in settlement of the claim, provided that:
- 10.1.1 the Seller is given full control of any proceedings or negotiations in connection with any such claim;
 - 10.1.2 the Buyer shall give the Seller all reasonable assistance for the purposes of any such proceedings or negotiations;
 - 10.1.3 except pursuant to a final award, the Buyer shall not pay or accept any such claim, or compromise any such proceedings without the consent of the Seller to be given or not in its entire discretion;
 - 10.1.4 the Buyer shall do nothing which would or might vitiate any policy of insurance or insurance cover which the Buyer may have in relation to such infringement, and this indemnity shall not apply to the extent that the Buyer recovers any sums under any such policy or cover (which the Buyer shall use its best endeavours to do);
 - 10.1.5 the Seller shall be entitled to the benefit of, and the Buyer shall accordingly account to the Seller for, all damages and costs (if any) awarded in favour of the Buyer which are payable by or agreed with the consent of the Buyer (which consent shall not be unreasonably withheld) to be paid by any other party in respect of any such claim; and
 - 10.1.6 without prejudice to any duty of the Buyer at common law, the Seller shall be entitled to require the Buyer to take such steps as the Seller may in its discretion require to mitigate or reduce any such loss, damages, costs or expenses for which the Seller is liable to indemnify the Buyer under this clause.

11. THIRD PARTY DELAY

- 11.1 In the event of a stoppage, delay or interruption of work in the establishment of either Seller or Buyer during the delivery period for any cause whatsoever beyond the control of the Seller or Buyer respectively, the Seller shall not be liable for any delay in shipment or delivery, non-delivery or destruction or deterioration of all or any part of the Goods, or for any default in performance of this Contract, arising therefrom, and the Buyer is bound to accept delay in shipment or delivery within the reasonable time to accept cancellation of all or any part of the contract as the case may be. In any of such cases, the Seller shall not be responsible for any incidental or consequential damages.

12. FRUSTRATION

- 12.1 In the event of war, invasion, act of foreign enemy, hostilities (whether war has been declared or not) civil war, rebellion, revolution, insurrection or military or usurped power, or in the event that the means of production of the Seller shall be influenced in whole or in part by any circumstances whatsoever the Seller shall be relieved of obligation incurred under this contract wherever and to the extent to which the fulfilment of such obligation is prevented, frustrated or impeded as a consequence of any such event or by any statute rules, regulations, order or requisitions issued by any government, council or other duly constituted authority or from strikes, lockouts, break down of plant or any other causes (whether or not of a like nature) beyond the Seller's control. If the Seller shall be unable to complete the performance of the contract wholly or in part due to causes beyond its control, the Seller may cancel the contract or the unperformed part thereof without any further liability to the Buyer. In no event shall the Seller be liable for any incidental or consequential damages.

13. INSOLVENCY OF BUYER

- 13.1 This clause applies if:-
- 13.1.1 the Buyer makes any voluntary arrangement with its creditors or becomes subject to an administration order or (being an individual or firm) becomes bankrupt or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or
 - 13.1.2 an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Buyer; or
 - 13.1.3 the Buyer cease, or threatens to cease, to carry on business; or
 - 13.1.4 the Seller reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.
- 13.2 If this clause applies then, without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Buyer, and if the Goods have been delivered but not paid for the Price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

14. EXPORT TERMS

- 14.1 In these Conditions "Incoterms" means the international rules for the interpretation of trade terms of the International Chambers of Commerce as in force at the date when the Contract is made. Unless the context otherwise requires, any term or expression which is defined in or given a particular meaning by the provisions of Incoterms shall have the same meaning in these Conditions, but if there is any conflict between the provisions of Incoterms and these Conditions, the latter shall prevail.
- 14.2 The Buyer shall be responsible for complying with any legislation or regulations governing the importation of the Goods into the country of destination and for the payment of any duties thereon.
- 14.3 The Buyer shall be responsible for arranging for testing and inspection of the Goods at the Seller's premises before shipment. The Seller shall have no liability for any claim in respect of any defect in the Goods which would be apparent on inspection and which is made after shipment, or in respect of any damage during transit.
- 14.4 Payment of all amounts due to the Seller shall be made by irrevocable letter of credit opened by the Buyer in favour of the Seller and confirmed by a bank acceptable to the Seller or in any other way as agreed and confirmed by the Seller in writing in the Order Confirmation.
- 14.5 The Buyer shall not have the right to and hereby undertakes not to sell or offer the Goods for resale or exportation or exportation to third countries or to sell the Goods to any person if the Buyer knows or has reason to believe that that person intends to resell the Goods in any such country.

15. INTELLECTUAL PROPERTY RIGHTS

- 15.1 The Seller shall not be responsible for any infringement with regard to patent, utility model, trade mark, design or copyright in relation to the use made or fruits of use of the Goods by the Buyer whether in the Buyer's country or any other place, and any dispute raised in respect thereof, shall be settled by the Buyer, and any loss and/or damages caused thereby shall be borne by the Buyer and the Buyer shall indemnify the Seller against all damages, penalties, costs and expenses to which the Seller may become liable as a result of use made or fruits of use of the Goods by the Buyer which involves the infringement of any patent or design rights.
16. The Seller shall not be responsible for damages, injury or loss of any kind whatsoever to any property or persons or animal or produce howsoever caused arising from the use of or in connection with the use of the Goods.
17. In the case of partial completion of an order occasioned by the Seller, the Seller shall be entitled to a quantum meruit.
18. The Buyer may cancel the order only upon payment to the Seller of all costs incurred by the Seller in respect of the work which shall be the subject of the cancellation.

19. GENERAL

- 19.1 The Seller is a member of the group companies whose holding company is KARL MAYER Holding GmbH & CO. KG, and accordingly the Seller may perform any of its obligations or exercise any of its rights hereunder by itself or through any other member of its group, provided that any act or omission of any such other member shall be deemed to be the act or omission of the Seller.
- 19.2 Any notice required or permitted to be given by either party to the other under these Conditions shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.
- 19.3 No waiver by the Seller of any breach of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 19.4 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.
- 19.5 Any dispute arising out of or in connection with these Conditions or the sale of the Goods shall first be referred to mediation at the Hong Kong International Arbitration Centre (HKIAC) and in accordance with its Mediation Rules. If the mediation is abandoned by the mediator or is otherwise concluded without the dispute or difference being resolved, then such dispute or difference shall be referred to and determined by arbitration at the HKIAC and in accordance with this Domestic Arbitration Rules.
- 19.6 The Contract and these Conditions shall be governed by the laws of Hong Kong.

卡尔迈耶 (香港) 有限公司

KARL MAYER (H.K.) Limited . info.hk@karlmayer.com . www.karlmayer.com

香港新界葵涌兴芳路223号新都会广场二期29楼2907室

2907 . 29FL . Metroplaza Tower 2 . 223 Hing Fong Road . Kwai Chung . N.T . Hong Kong . T +852 2723 9262 . F +852 2739 8730