

## 1. Application

**1.1** All deliveries of products from LINAK HONG KONG LIMITED, 18-24 Shan Mei Street, Fo Tan, Shatin, New Territories, Hong Kong ("LINAK") to any purchaser ("Purchaser") shall be governed by these standard terms of sale and delivery (the "Terms") to the extent that they are not waived in writing by LINAK. LINAK's acceptance of the Purchaser's order is expressly conditioned upon the Purchaser's acceptance of these Terms and no addition or modification shall be binding on LINAK unless expressly agreed in writing by LINAK.

**1.2** The international trade terms specified in "Incoterms 2020" shall apply between LINAK and the Purchaser.

## 2. Ordering

**2.1** No final agreement concerning sale or delivery shall exist between LINAK and the Purchaser until LINAK has given its acceptance as an order confirmation or other explicit written confirmation.

**2.2** If LINAK's order confirmation does not match the Purchaser's order, the Purchaser must complain within 24 hours after receiving LINAK's order confirmation. Failure to do so means that the Purchaser shall be bound by the content of the order confirmation.

**2.3** Quotations, pro forma invoices and other associated correspondences shall not be binding on LINAK.

**2.4** No cancellation or alteration of orders shall be regarded as having been accepted until LINAK has confirmed such cancellation or alteration in writing. In case of cancellation or alteration of orders, the Purchaser shall reimburse LINAK for all reasonable costs incurred in connection with such cancellation or alteration.

## 3. Terms of delivery

**3.1** Unless otherwise agreed, LINAK shall have the right to choose to deliver the products under EXW term (Incoterms 2020) at the factory or place of business of LINAK or its suppliers. Any delivery of the products shall be deemed to be completed at the time of delivery under EXW term (Incoterms 2020) or of sending a notice of preparation for shipment. Any products may be delivered in batches. If any products can not be shipped due to any reasons beyond the reasonable control of LINAK or its suppliers, any storage cost and risk of such products shall be borne by the Purchaser.

**3.2** LINAK undertakes that it shall take appropriate measures to deliver the products on time. If a delay nevertheless occurs, LINAK shall be entitled to postpone the time of delivery for up to 30 days without the Purchaser being entitled to cancel the order. A late delivery shall not entitle the Purchaser to claim compensation.

## 4. Tax and duty

**4.1** In addition to the purchase price, the Purchaser shall pay any and all taxes, import duties or tariffs which may be levied on the products as well as any necessary expenses connected with the approval of the products.

## 5. Prices

**5.1** LINAK reserves the right to change prices until a final order confirmation has been issued. LINAK also reserves the right to change the prices of order confirmations in case of changes in production costs, salaries/wages, cost of material, sub-supplies, exchange rates, expenses imposed by public authorities and the official discount rate.

## 6. Terms of payment

**6.1** Payment shall be made no later than the time of delivery EXW (Incoterms 2020), unless otherwise specifically agreed in writing.

**6.2** If payment is delayed by the Purchaser, LINAK shall be entitled to claim 2% interest on the purchase price per month or part of a month, as well as to withhold all future consignments. LINAK shall also be entitled to demand that the Purchaser pays all reasonable costs incurred in connection with legal or non-legal actions taken with the purpose of collecting payment.

**6.3** The Purchaser shall not be entitled to withhold any payments in respect of alleged claims against LINAK, unless such claims have been accepted in writing by LINAK in advance.

**6.4** If the Purchaser fails to take delivery of consignments or part-consignments, which are ready for delivery on the agreed day, the Purchaser shall nonetheless pay for the products as if delivery had taken place, in the absence of any agreement to the contrary.

## 7. Property rights

**7.1** Until LINAK has received full payment for products delivered, such products shall remain the property of LINAK even though the Purchaser has started to use or process the products or started incorporating the products in its own application.

## 8. Intellectual property rights

**8.1** LINAK reserves all rights to the products and their design. Products shall not be copied or given to any third parties with a view to copying the products. All drawings and descriptions sent to the Purchaser shall remain the property of LINAK, and shall not be copied, transferred or in any other way communicated with any third parties without the consent of LINAK.

**8.2** If the provision in Clause 8.1 is violated, the Purchaser shall pay LINAK compensation for any loss attributable to unlawful copying and all costs incurred in connection with the legal and non-legal pursuit of LINAK's rights.

**8.3** In case of a development project, should a third party claim intellectual property rights such as patents, design patents, copyrights, trademarks and similar rights against LINAK, the Purchaser of the project shall indemnify LINAK all costs such as legal and court costs and any damages resulting from such claim provided that the claim is a result of the Purchaser's specifications and requirements.

## 9. Embedded software

**9.1** If Products are delivered with embedded software, LINAK shall provide the Purchaser with a non-exclusive software license in the form of a right to use such software solely for the purposes set out in applicable product specification. Aside from this, the Purchaser obtains no rights in form of license, patent, copyright, trademark or other proprietary right connected with such software. The Purchaser shall not obtain any rights to software source code, nor shall the Purchaser attempt to access such source code.

**9.2** If products are delivered with embedded software, the Purchaser shall be responsible for keeping the software up to date following delivery by installing necessary updates offered by LINAK.

## 10. Technical changes and approval

**10.1** LINAK reserves the right to make technical and other changes in products including ordered products without notice, if it can be done without affecting the agreed technical specifications.

**10.2** The Purchaser shall be fully liable for its application, use and operation of any product, whether or not such application, use or operation has been approved by LINAK. It is the responsibility of the Purchaser to ensure that the designated products meet the performance criteria defined by the Purchaser for their application. LINAK cannot assess the impact of all the conditions under which the products shall be operated. This includes but is not limited to suspension of the actuator; vibration; load curve; exposure to outside elements like temperature and moisture; duration and frequency of use, safety, etc. The suitability of the products and the products performance under such varying conditions can only be verified by testing and the responsibility for this testing and validation lies solely with the Purchaser. This includes but is not limited to testing the products in the Purchaser's application and ensuring the suitability when connecting the Purchaser's or third parties' components to the products. Products shall not in any circumstances be used in aircraft or in connection with nuclear power of any kind.

**10.3** The Purchaser undertakes to apply for all necessary national or international approvals of any application in which products are used.

## 11. Complaints

**11.1** If the Purchaser wishes to claim that the delivered products are defective, the Purchaser shall complain immediately to LINAK.

**11.2** The Purchaser shall inspect consignments immediately on receipt to check for any shortages, defects, errors or any other deviations from the contract. If the Purchaser wishes to complain to LINAK, the Purchaser shall submit such complaints to LINAK no later than 5 days after receipt of the products if the relevant defects could have been discovered during the Purchaser's inspection on receipt of the delivered products.

**11.3** Any damage or loss occurring during transport shall be of no concern to LINAK, and claims in such circumstances shall only be made against the transport agent concerned.

## 12. Cost-free repairs and replacement

**12.1** At its sole discretion, LINAK agrees to repair, replace or credit products that are found to be defective, at time of delivery, due to faulty manufacture, design and/or defective materials, provided that the Purchaser makes a claim to LINAK within 18 months from the date of production as stipulated on the product label, unless otherwise agreed (the "Claim Period"). If batteries are provided by LINAK as a part of a product, the Claim Period for such batteries pursuant to this clause shall be 12 months from the date of production as stipulated on the product label.

**12.2** If Purchaser discovers defects within the Claim Period, the Purchaser shall inform LINAK in writing of such alleged defects and the product shall then be sent to LINAK or to any other address determined and designated by LINAK with freight and insurance paid by the sender, accompanied by a description of the reason for such return. If LINAK accepts that the product is defective and the Purchaser has complained within the Claim Period, LINAK shall dispatch the product after replacement or repair free of charge. LINAK shall reimburse the Purchaser for the freight costs incurred by the Purchaser in sending the defective product to LINAK's place of business, but only if LINAK has approved in writing of the method of dispatch and the costs incurred prior to the dispatch of products. If however, LINAK's analysis shows that the product is not defective, LINAK may return the product to the Purchaser at the Purchaser's cost and risk, and LINAK may charge a fee for the time and materials used in analysing the allegedly defective product.

**12.3** Re-delivery or repair under this clause shall under no circumstances be performed outside LINAK's places of business, unless otherwise agreed by LINAK. LINAK shall not in any circumstances remove, replace or remount products which have been incorporated in other non-products.

**12.4** Excluded from cost-free repairs and replacements are products delivered with embedded software where claims arise from (i) combination of products with any hardware or software not manufactured or not provided by LINAK; (ii) the Purchaser's specifications being different from the agreed written specifications; (iii) nonconformity not discovered by LINAK during release and quality testing nor by the Purchaser during the Purchaser's quality testing and approval; (iv) failure to update such software as necessary; and (v) any alteration or modification to products, except those alternations or modifications made by LINAK or specifically agreed to by LINAK in writing.

**12.5** In case of defects in software covered by Clause 12.1, cf. Clause 12.4, the Purchaser's sole remedy and LINAK aggregated liability shall be limited to LINAK providing and/or replacing any defective parts in the products by supplying new software components to the Purchaser. LINAK shall not be responsible for replacement of products or part of products in the Purchaser's applications, including but not limited to any kind of field updates.

**12.6** Unless otherwise expressly stated in these terms, products are supplied "AS IS", "WHERE IS" and "WITH ALL FAULTS", LINAK does not extend any written, expressed or implied warranty for implied merchantability or fitness for particular purpose.

**12.7** Products shall not be subject to Clause 12.1 regarding cost-free repairs or replacement, if LINAK has determined, in its sole discretion, that the Purchaser has misused the products in any manner, has failed to use the products in accordance with industry standards and practices or has failed to use the products in accordance with any instructions, if any, provided by LINAK. Further LINAK accepts no liability for wear and tear nor for products which have been subject to violent treatment or inadequate maintenance.

## 13. Product liability

**13.1** LINAK shall be liable for product liability in accordance with applicable legislation in this connection but shall not assume legal liability in any degree beyond that specified by applicable legislation.

**13.2** The Purchaser shall indemnify LINAK to the extent that LINAK is liable vis-à-vis third parties for any damage or loss for which LINAK is not liable vis-à-vis the Purchaser in accordance with Clause 13.1 above.

## 14. Limitation of liability

**14.1** LINAK shall not be held responsible nor liable for any special, indirect, consequential, punitive or exemplary damage or loss, which might arise out faulty products, delay in the delivery of products, product liability, recall or otherwise, irrespective of cause, including but not limited to any loss of production, loss of profit, loss of data and/or loss of goodwill.

**14.2** Save for liability for death or injury caused by the negligence of LINAK and for other liability which cannot be excluded by law, in all other cases LINAK's total liability (whether in contract, tort including negligence or otherwise) under or in connection with any order or these Terms or based on any claim for contribution or indemnity in respect of any single claim or series of connected claims shall not exceed the price paid for such products as are the subject of that claim or claims in aggregate.

## 15. Export control

**15.1** The Purchaser acknowledges that LINAK is required to comply with applicable export/import laws and regulations relating to the sale, export, import, transfer, assignment, disposal and use of the products. The Purchaser agrees that products will not at any time directly or indirectly be used, exported, re-exported, imported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with any export/import laws and regulations.

## 16. Protection of personal data

**16.1** As a part of handling sales requests from the Purchaser, LINAK shall process contact data and invoice information. Any personal data LINAK may process may be shared with other LINAK group companies. Personal data will not be shared with any third parties other than data processors who process data on behalf of LINAK based on a data processor agreement. Further information can be found in LINAK's Privacy Policy which can be found at <https://www.linak.tw/>.

## 17. Force majeure

**17.1** LINAK is entitled to cancel orders or suspend delivery of products and shall not be liable for any non-delivery, faulty or delayed delivery, which partly or wholly is caused by circumstances beyond LINAK's reasonable control, including, but not limited to, riots, civil unrest, war terrorism, health emergencies, health epidemic or pandemic, fire, typhoon, insurrection, requisition, seizure, embargo or defects or delays in deliveries by sub-suppliers, strikes, lockouts, slowdowns, lack of transportation, scarcity of materials and insufficient supplies of energy. Any of the Purchaser's contractual rights shall be suspended or become void in any such circumstances referred to in this Clause. The Purchaser shall not be entitled to any kind of damages or to make claims whatsoever in case of cancellation or delayed delivery due to such circumstances.

## 18. Confidentiality

**18.1** The Purchaser shall keep strictly secret and not disclose to any third party any confidential information received through doing business with LINAK. The Purchaser's obligation of maintaining confidentiality shall survive the invalidation of this Clause.

## 19. Partial invalidity

**19.1** If one or more of the terms and conditions in these Terms or any part of a term is deemed invalid, unenforceable, illegal or inoperable, the validity, enforceability, legality or operability of all further terms and conditions shall not be affected or diminished thereby.

## 20. Applicable law and venue for disputes

**20.1** These Terms and any disagreements or disputes in relation to these Terms shall be governed by and construed in accordance with the laws of Hong Kong without regard to the conflict of law rules thereof.

**20.2** All disputes in relation to these Terms shall be resolved through arbitration at the Hong Kong International Arbitration Centre in accordance with the arbitration rules of such Centre in effect at the time of applying for arbitration. The arbitration shall be conducted in the English language.

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