

TERMS AND CONDITIONS OF SALE

1. Interpretation

1.1 In these Terms:

"Company" means : (1) Nanmu Yarns & Threads Mfg. Sdn. Bhd. (66759-T) (2) Arona Mop Products Manufacturing Sdn. Bhd. (45627-V) (3) Jade Filament Spinning (M) Sdn. Bhd. (180539-U) (4) Bata Tulin Industry Sdn. Bhd. (72798-M) (5) G.G.S. (M) Sdn. Bhd. (116706-T)

"Customer" means the purchaser of Goods and services from the Company.

"Goods" means all goods sold and/or delivered by the Company to the Customer.

"Terms" means these terms and conditions of sale.

2. Application

2.1 These Terms apply to all contracts for the sale of Goods and services by the Company.

2.2 No amendment, alteration, waiver or cancellation of any of these Terms is binding on the Company unless confirmed by the Company in writing.

2.3 If any of the terms and conditions herein conflict with terms and conditions specified by Customer, then Acceptance of Customer Order is made only upon the express understanding and condition that the Terms and Conditions herein shall govern and control the Contract between Customer and Company, irrespective of whether Customer accepts these terms and conditions by a written acknowledgement, by implication or by acceptance of or payment for goods ordered hereunder. Company's failure to object to provisions contained in any communication from Customer shall not be deemed a waiver of or a modification to any or all of the Standard Terms and Conditions of sale as expressed herein.

3. Payment

3.1 Payments are to be made to the Company without any deduction or discount other than as stated in these Terms or in the relevant invoice or statement.

3.2 Interest is payable on all overdue accounts calculated on a daily basis at the rate of 1.5% per month as from the date due for payment until payment is received by the Company.

4. Delivery

4.1 The Customer must, within 3 days of being notified of their availability, collect or accept Delivery of the Goods and pay the balance of the invoiced price as per the terms stipulated in the Company's invoice.

4.2 If the Customer fails to collect the Goods or accept delivery within 7 days of being notified of their availability, the Company may terminate this contract, keep the deposit and resell the Goods.

4.3 In addition to clause 4.2, the Company reserves the right to charge the Customer storage on goods not collected or delivered within 7 days of notification of their availability.

4.4 The Company reserves the right to deliver the Goods in whole or in instalments, as well as to deliver prior to the date for delivery and, in such event, the Customer must not refuse to take delivery of the Goods.

4.5 Any failure on the part of the Company to deliver instalments within any specified time does not entitle the Customer to repudiate the contract with regard to the balance remaining undelivered.

5. Title

5.1 Legal and beneficial ownership of the Goods will not pass to the Customer until such time as the Goods have been paid in full.

6. Risk and Insurance

6.1 The Goods are entirely at the risk of the Customer from the moment of delivery to the Customer's point of delivery or on collection, even though title in the Goods has not passed to the Customer at that time.

6.2 The Customer must, at its own expense, maintain the Goods and insure them for the benefit of the Company against theft, breakdown, fire, water and other risks as from the moment of delivery to the Customer and until title in the Goods has passed to the Customer.

7. Inspection

7.1 Unless the Customer has given written notice to the Company at the time of collection or delivery that the Goods do not comply with the relevant specifications or descriptions, the Goods are deemed to have been accepted in good order and condition.

8. Cancellations

8.1 No order may be cancelled, modified or deferred without the prior written consent of the Company (which is at the Company's sole discretion). If such consent is given it is, at the Company's election, subject to the Company being reimbursed all losses, including loss of profits, and paid a cancellation fee.

9. Limited Liability

9.1 Customer hereby acknowledges and agrees that with respect to any order or contract for the purchase of goods from Company, Company's sole and exclusive liability with respect to any default by Company or any breach of any such contract by Company shall not exceed the cost at which such goods were processed. The Customer shall not be entitled to claim consequential damages, prospective profits, or special or indirect damages. Nor shall Company be liable in any instance for lost profits, or special or indirect damages. This limitation on damages against Company shall apply to any default or breach by Company including the breach of any guarantee, warranty or any tort committed by Company. Customer hereby expressly waives any claim for punitive damages or other damages.

9.2 The Company is not subject to, and the Customer releases the Company from, any liability (including but not limited to consequential loss or damage) because of any delay in delivery or fault or defect in the Goods. The Customer acknowledges that the Company is not:

- (a) responsible if the Goods do not comply with any applicable safety standard or similar regulation; and
- (b) liable for any claim, damage or demand resulting from such non-compliance

10. Defaults By Customer

(A) If Customer defaults in any obligation to Company, including any obligation to make payment, Company may, at its option and in addition to any other remedy which may be available to Company, elect to do any one or more of the following: (i) treat any such default as a default of all obligation of Customer to Company; (ii) defer delivery until such default is cured; (iii) cancel any undelivered portion of any order for goods; or (iv) demand full and immediate payment on any outstanding invoice, whether

or not otherwise due. If Company defers delivery because of Customer's default, Customer agrees to accept and pay for such goods notwithstanding the expiration or any delivery cutoff date. In the event Company elects to resell any goods ordered, but not delivered to or accepted by, Customer, and if any of the goods or containers thereof shall be covered by any patent or copyright or have been stamped or label with Customer's label, design, trademark or trade name, Company shall have the right to resell such goods and containers with any stamp or label affixed and Customer hereby granted to Company, its successors and assigns, an irrevocable license for such purpose.

(B) Customer acknowledges that Company may, from time to time, affix Customer's proprietary marks such as trademarks and other designs to goods in accordance with Customer's instructions. In the ordinary course of such business, such proprietary marks are customarily affixed to Company's goods only in reliance upon credit-approved orders for such goods. Once such proprietary marks are affixed, Company's ability to resale such goods in the event of Customer default is limited to reasonable saturation considerations. Accordingly, such goods have the characteristics of specialty manufactured goods and any damages resulting from the breach or default of Customer with respect to any for such goods shall specifically include the cost and expenses incurred by the Company as a result of such breach, the contract price for such goods less such price, if any, as is reasonably obtained by Company upon the resale of such goods, the loss of profits to Company if the breach occurs prior to the date the manufacture of such goods is first commenced and the time value of such loss to Company measure Company's normal gross profit margin in recognition that Company may not be liable to reasonably resell such goods until the next or a subsequent reason for such goods, all of which shall be deemed a direct consequence of any breach or default by Customer. Customer shall be liable for all costs and expense incurred by Company, including Solicitors fee on Solicitors client basis arising out of any default or breach by Customer in addition to Customer's liability for Company's actual, and consequential damages.

11. Warranty or Guarantee

11.1 No warranty or guarantee, express or implied given by the company to the Customer for the goods supplied. It is the Customer's responsibility to examine the goods at the time of accepting delivery. Upon delivery to the Customer the Company is no longer liable in any manner in respect of the goods to the Customer.

11.2 In the situation where material entirely or partly supplied by the Customer to manufacture the goods supplied by the Company, the Company shall not be liable in any way to the Customer for the finished goods sold as the Company has no control to evaluate the quality of the materials.

11.3 The Customer expressly acknowledges and agrees that it has not relied upon, and the Company is not liable for any advice given, information given, specification shown by the Company, its employees, agents or representatives in relation to the suitability for any purpose of the Goods.

12. Display and Samples

12.1 Any display product or sample inspected by the Customer is solely for the Customer's convenience and does not constitute a sale by sample.

12.2 The terms of the Contract are wholly contained in these Terms and any other written agreement signed by both parties. The Contract is deemed to have been made at the Company's place of business in Malaysia where an order was placed and any cause of action is deemed to have arisen there.

13. Use of Trademarks and Logos

13.1 The sale and delivery of goods by Company to Customer does not constitute a sale or delivery of any right in the pattern, design, label, copyright or proprietary marks of Company or Company's licensors, the sole rights thereto being limited to the right to sell the goods delivered in the ordinary course of Customer's business but without alterations or defacement thereof in any respect whatsoever. Customer shall not use the proprietary marks of Company or any of Company's licensors except with the specific written permission of a director of the Company.

13.2 Customer agrees to indemnify and hold harmless the Company its affiliates, officers, directors, agents and employees against any claims, demands, causes of action, damages and fees arising out of or in connection with the use of any trademarks, logos or other marks which Company uses at Customer's request to embellish goods for sale to Customer.

14. Force Majeure

14.1 The Company will not be liable for any breach of contract due to any matter or thing beyond the Company's control including but not limited to transport stoppages, transport breakdown, fire, flood, earthquake, acts of God, strikes, lock-outs, work stoppages, wars, riots or civil commotion, intervention of public authority, explosion or accident.

15. Waiver of Breach

15.1 No failure by the Company to insist on strict performance of any of these Terms is a waiver of any right or remedy which the Company may have, and is not a waiver of any subsequent breach or default by the Customer.

16. No Assignment

16.1 Neither the Contract, nor any rights under the Contract may be assigned by the Customer without the prior written consent of the Company, which is at the Company's absolute discretion.

17. Severability

17.1 If any provision contained in these Terms is held by a court to be unlawful, invalid or unenforceable, the validity and enforceability of the remaining provisions are not affected.

18. Applicable Law

18.1 This contract shall be governed by the Law of Malaysia.

19. Jurisdiction

19.1 In the event of any dispute between Company and Customer arising out of or related to this agreement or any order or contract between Customer and Company, such dispute shall be adjudicated between the parties, at Company's discretion, solely in a court of competent jurisdiction in Malaysia and further parties herein consent that any process, summons, cause papers or notice or any other application to such Courts may be served by personal service by registered post to the parties herein.