

TERMS AND CONDITIONS OF PURCHASE ORDER

1. Conditions of Goods

- 1.1 The Supplier to Point Well Investment Limited (“PWI”) shall deliver the goods ordered under Purchase Order of PWI (“the Goods”) in good order and condition and in accordance with PWI’s specifications as set out on the Purchase Order or thereafter as from time to time before shipment PWI notifies the Supplier in writing (“the Specifications”).
- 1.2 The Specifications include, without limitation or being exhaustive, specifications of the Goods by reference to sketches and drawings, bills of materials, samples and other forms of records.

2. Inspection

PWI shall have reasonable time to inspect each delivery of Goods. PWI shall have the right to return the Goods which do not meet the Specifications or otherwise found defective to the Supplier at the Supplier’s expenses. Without prejudice to PWI’s right to further damages from the Supplier, the Supplier shall at the direction of PWI arrange for delivery of replacement at the Supplier’s own expenses, and shall pay compensation to PWI for all loss and additional expenses suffered or incurred by PWI.

3. Delivery

- 3.1 The Supplier shall make delivery of the Goods according to the agreed schedule and to the destination or party as directed by PWI. If there shall be late or non-delivery, PWI shall have the right to claim the Supplier for compensation for all loss and damage suffered by PWI and shall also have the option to cancel the Purchase Order or part thereof without prejudice to the right to compensation aforesaid.
- 3.2 PWI is entitled to change the place of delivery by prior notice in writing to the Supplier.

4. Packing and Shipping Mark

- 4.1 The Supplier is responsible to deliver the Goods in package bags and boxes which are clearly marked with Shipper's Name and Address, Contents and PWI's Purchase Order number.
- 4.2 PWI is entitled to change the packing method, packing and shipping marks and labels by prior notice in writing to the Supplier.
5. Payment

Notwithstanding any payment term set out on the Purchase Order:

- (a) in respect of supply of toolings to PWI, PWI shall not be liable to pay the price for toolings until the sample pieces produced by the toolings have been approved by PWI's customer as complying with the Specifications;
 - (b) in respect of supply of other goods to PWI, PWI shall not be liable to pay the price for the Goods until PWI shall have accepted that the Goods supplied are in good order and condition and as complying with the Specifications.
6. Excess Quantities

PWI shall not be liable to pay the Supplier for the excess quantity of the Goods supplied or delivered over the agreed quantity.

7. Custody of PWI's Property

All toolings and materials delivered by PWI to the Supplier for the purpose of manufacturing the Goods shall though in the custody of the Supplier remain the property of PWI. The Supplier shall use the toolings and materials strictly for the manufacturing of the Goods only and for no other purpose and shall on demand of PWI immediately return the same to PWI.

8. Confidentiality

All information, specifications, designs, data, prices and all drawings, sketches, photographs, documents, samples and other forms of record provided by PWI to the Supplier are the properties of PWI and/or its customers and are confidential.

The Supplier shall not release or disclose the same or any of them to any other party except with prior written consent of PWI. The Supplier has the obligation to take such reasonable steps to prevent the unauthorized release or disclosure of the same or any of them.

9. Termination

PWI shall have the right to cancel or terminate a Purchase Order or any part thereof if the Supplier shall have committed any breach of the terms and conditions thereof. The exercise of right of termination or cancellation by PWI shall not prejudice PWI's right to claim compensation from the Supplier on account of such breach.

10. Governing Law

All Purchase Orders and these terms and conditions shall be construed in accordance with, and all matters related to the Purchase Orders shall be governed by, the laws of Hong Kong.