



GENERAL TERMS AND CONDITIONS OF SALE

1. Applicability of the Terms and Conditions of Sale

- 1.1. These Terms and Conditions of Sale shall apply to all offers made and contracts concluded by ELMY INTERIORS BV ("Elmy") with another party (the "Customer").
- 1.2. Any departure from these general terms and conditions shall require the parties' express written agreement.
- 1.3. Customer's terms and conditions shall not be binding upon Elmy except where they have been expressly accepted by Supplier in writing.

2. Offers

- 2.1. Any offer made by Elmy shall be made free of any obligation and shall not bind Elmy until Customer's acceptance of the offer has been confirmed by Elmy in writing. Confirmation as referred to in this Article 2.1 may take 5 working days.
- 2.2. If Customer places an order without any prior offer from Elmy, the order shall be open to confirmation by Elmy for 1 working week in order to enable Elmy to decide whether it can carry out the order. Confirmation by Elmy within 1 working week of the order being placed shall result in an agreement.
- 2.3. Prices quoted in Elmy's offers will be in USD.
- 2.4. Elmy may increase prices if such is required by any changes in the law, increased cost price factors or any changes in exchange rates occurring after the conclusion of the agreement.
- 2.5. Oral commitments shall not be binding unless and until they are confirmed by Elmy in writing.

3. Delivery

- 3.1. Subject to any agreement to the contrary, delivery shall be FOB.
- 3.2. Customer shall be under a duty to take delivery of the purchased goods at the moment the complete order is ready at Elmy-s warehouse in Myanmar.
- 3.3. If Customer refuses to take delivery or fails to issue information or instructions necessary for delivery, the goods shall be stored at Customer's costs and risk. In that case, Customer shall be liable to pay all additional costs, in any case including storage costs.
- 3.4. By confirming the order Customer agrees to ship the order within 4 weeks after the date the order is ready. After these 4 weeks storage costs will be applicable with a maximum of another 2 weeks. Should the order not have been picked up or shipped within 6 weeks after the date the order is ready, Elmy will take re-possession of the products in order to fulfil outstanding orders for other customers. Any advance payment in such case will be non-refundable.

4. Delivery time

- 4.1. Delivery dates are always by approximation only. Delivery dates shall never be regarded as firm dates.

5. Packaging

- 5.1. Prices quoted shall include the usual and customarily-used packaging of the goods. Prices shall not include deposits on returnable packaging. Except in case Elmy is under a statutory duty to take back empty, returnable packaging, packaging shall not be taken back.

- 5.2. Returnable packaging must be returned in good repair, with due observance of Elmy's instructions and within the time period stated. If returnable packaging is not returned within this time period and/or is returned in a poor condition and/or uncleaned, the cost of replacing, repairing and/or cleaning the packaging shall be invoiced.
- 5.3. Additional costs for special required packaging may apply should Customer deem this kind of packaging is needed.

6. Samples, models and examples

- 6.1. If Elmy shows or issues a model, sample, drawing, example, etc. such has been done by way of illustration only. The features, sizes and properties of the goods delivered may deviate from the sample model, except where an express statement is made that delivery shall conform to the issued or shown model, sample, drawing, example, etc.
- 6.2. Customer has no right to the international and industrial property rights on products produced by Elmy. Elmy holds the intellectual and industrial property rights to all products produced and/or sold.

7. Dissolution and suspension

- 7.1. Elmy has the right to suspend (any further) performance of the agreement, or proceed to dissolve the agreement, without prejudice to its right to claim payment of the goods sold or to claim damages, if any of the following events occur:
 - a. an attachment is levied on any of Customer's property, or Customer is granted a moratorium or is declared bankrupt;
 - b. Customer fails to perform any of its obligations vis-à-vis Elmy; or
 - c. Elmy has good grounds to fear that Customer is or will be unable to perform its obligations under the agreement and, in Elmy's reasonable opinion, fails to provide adequate security for the performance of its obligations.
- 7.2. If any of the events occurs as described in Article 7.1, all sums owing by Customer shall be immediately due and payable.

8. Force Majeure

- 8.1. Elmy is not responsible for any failure to perform its obligations under an agreement, if it is prevented or delayed in performing its obligations by an event of force majeure. Examples of force majeure are: war, riots, coup d'état, earthquakes, hurricanes, lightning and explosions, energy black outs, unexpected legislation, lock outs, slowdowns, strikes and supply chain problems, heavy floods, tsunami, curfew and collapse of banking facilities.
- 8.2. Where there is an event of force majeure, Elmy will notify Customer giving full particulars of the event of force majeure and the reasons for the event of force majeure preventing Elmy from performing, or causing a delay in performing its obligations under the agreement. Elmy will use reasonable efforts to mitigate the effect of the event of force majeure upon its performance of the agreement and to fulfil its obligations under the agreement. If the inability of Elmy to perform continues for a period of two hundred and seventy (270) consecutive days from the date of commencement of the Force Majeure event, Customer may terminate the agreement by giving a ninety (90) days prior written notice to Elmy and upon the expiration of such notice period the agreement will terminate.
- 8.3. Upon completion of the event of force majeure Elmy will as soon as reasonably practicable recommence the performance of its obligations under the agreement. Elmy will provide the other party a revised programme rescheduling the works to minimise the effects of the prevention or delay caused by the event of force majeure.
- 8.4. Customer has no entitlement and Elmy has no liability for:

- a. any costs, losses, deposits, expenses, damages or the (re-)payment of any part of the contract price during an event of force majeure; and any delay costs in any way incurred by Customer due to an event of force majeure.
- 8.5. Customer shall not be permitted to assign its rights under the agreement to any third party without Elmy's prior written consent.

9. Retention of title

- 9.1. Elmy shall retain title to all goods delivered or to be delivered to Customer until the purchase price of all such goods has been paid in full. If, within the framework of the sales agreements, Elmy also carries out work for Customer, Elmy's retention of title shall continue to apply until Customer has fully satisfied its obligations in this respect. Likewise, Elmy's retention of title shall apply to any claims which Elmy may have against Customer as a result of Customer's failure to properly perform any of the above-mentioned agreements.
- 9.2. So long as title to the goods has not passed to Customer, Customer may not pledge the goods or grant a third party any other right to the goods. However, Customer shall be permitted to sell and deliver the goods of which the title which has been retained, to a third party within the context of its normal business operations. If the goods are sold on credit, Customer shall be obliged to impose upon its customers a retention of title clause identical to this article 9.
- 9.3. Customer shall have an obligation to take due care of the goods delivered subject to retention of title, and preserve them as identifiable property of Elmy. Customer shall also be obliged to adequately insure the goods against damage and theft, and submit the insurance policies for inspection to Elmy at the latter's first request. Any claims which Customer may have under these insurance policies shall be pledged to Elmy at the latter's first request as security for Elmy's claims against Customer.
- 9.4. If Customer fails to properly perform its payment obligations towards Elmy, or if Elmy has good grounds to fear that Customer shall fail to satisfy those obligations, Elmy shall be authorized to take back the goods which were delivered subject to retention of title. If the goods delivered by Elmy are already fitted into property belonging to Customer, Customer shall detach the sold goods at Elmy's first request and make them available to Elmy, without prejudice to Elmy's right to detach such goods itself. Customer shall fully co-operate if Elmy wishes to take back the goods.

10. Intellectual and industrial property rights

- 10.1. Customer shall refrain from infringing any copyrights, designs, marks or other intellectual property rights in the sold goods.
- 10.2. Infringement of any of these rights shall render Customer liable to pay a fine of 10,000 EUR for each violation, on the understanding that every infringing product shall be considered one violation. This fine shall not preclude Elmy from asserting its other rights, including its right to claim damages if the damage and/or losses caused by the infringement exceed the amount of the fine, or its right to demand that the infringement be ceased.

11. Defects; filing of complaints

- 11.1. Upon delivery Customer shall be obliged to inspect the goods, or cause them to be inspected. Customer shall have to check whether the delivered goods are in conformity with the agreement, i.e.: - whether the correct goods have been delivered; - whether the number of goods delivered corresponds with the agreed upon quantity; - whether the goods delivered meet the agreed upon quality standard or - if no such standard is agreed - whether they meet the requirements which may be set for normal use and/or trading purposes.
- 11.2. If any visible defects or shortcomings are found, Customer must notify Elmy in writing within 7 working days of the delivery.

- 11.3. Latent defects must be notified by Customer in writing within 10 working days of their discovery, but in any case within 14 days of delivery.
- 11.4. The timely filing of a complaint shall not release Customer from its obligations to pay and take delivery of the orders placed.
- 11.5. Goods may not be returned without Elmy's prior written consent.
- 11.6. Should a claim occur the following information is needed to ensure a swift and proper handling of any claim: - PO number and/or invoice number on which this products are mentioned - Correct product name, finishing and size (in case of wooden products) - A picture of the entire claimed product is needed, not only of the affected area. - Claimed quality as well as the arrival date of the claimed product(s).

12. Payment

- 12.1. After the confirmation of the order, Elmy will issue a separate advance invoice for the down payment of 30% of the total purchase price of the order. The order will be put into production after the receipt of the down payment into Elmy's bank account: RABOBANK, The Netherlands, accountnumber: 138663610, IBAN NL96RABO0138663610, SWIFT/BIC RABONL2U in the name of Elmy. The 70% balance needs to be paid against copy bill of loading.
- 12.2. Payment must be made without applying any discount or setoff, except where Elmy has issued a credit note.
- 12.3. Payments by Customer shall be deemed to satisfy all due interest and costs and, subsequently, the longest outstanding invoices, even if Customer states that the payment should apply to a later invoice.

13. Legal costs

- 13.1. Customer shall be under a duty to reimburse Elmy for all costs reasonably incurred in connection with legal proceedings where judgment is fully or substantially awarded against Customer. These costs shall in any case include the fees of outside experts, bailiffs and lawyers, even if these costs exceed the amount awarded by the court.

14. Liability

- 14.1. If any goods delivered by Supplier are not in conformity with the agreement, and Customer has timely filed a complaint in accordance with Article 10 of these general terms and conditions, Customer shall be entitled to replacement or repair of the goods, except where Elmy is not liable for the improper performance. Elmy may instead of repairing or replacing the goods, refund the purchase price paid for the defect goods.
- 14.2. Except for clause 14.1, Elmy is not liable for any damages, however caused. Liability for any consequential damages, including loss of profit and damage and/or losses caused by any delay and/or delayed delivery, is expressly excluded.
- 14.3. Limitation of Elmy's liability set out in the previous paragraphs shall not apply if the damage and/or loss is the result of Elmy's intentional act or omission or gross negligence.
- 14.4. Entitlement to repair of the goods and/or replacement of the goods and/or supply of missing components shall lapse if (a) no timely complaint is made, or (b) 6 months after the delivery of the goods.

15. Governing law

- 15.1. Any agreement entered into between Elmy and Customer shall be governed by the Dutch law with the express exclusion of the United Nations Convention on Contracts for the International Sale of Goods.
- 15.2. The court in Amsterdam shall be exclusively authorized to decide on any matters relating to the agreements between Elmy and Customer.