

# Terms and conditions

## Article 1. General

### 1.1

All services provided by Supreme Asia Pacific Limited (hereinafter called "SAPL") are governed by the following general conditions of service, which prevail any purchase terms and conditions, unless otherwise specifically and expressly agreed in writing by SAPL.

### 1.2

Unless otherwise agreed, services carried out by SAPL, on behalf of an entity or individual from whom the instructions to act have originated (hereinafter called the "Client") will be carried out by using techniques and processes that permit an independent, impartial and objective approach. The result conclusion of SAPL's services (hereinafter called "Service") will consist in a report communicating the collection of information SAPL has been requested to supply and will be delivered as a digital report.

### 1.3

Unless authorized by the Client, no other party than the Client shall be entitled to give instructions to SAPL, particularly on the scope of inspection or delivery of the report.

## Article 2. Provision of services

### 2.1

SAPL in the capacity of an independent third party, supplies information in the form of ascertainment or recommendations for the special purpose of contributing to the prevention of the risks to which the beneficiaries of its services are exposed, and of helping them assure the quality of their products. Service consist of work performed by SAPL, including but not limited to:

- Factory audits
- Pre-production inspections
- During production inspections
- Pre-shipment inspections
- Container loading inspections
- 100% inspections

### **Article 3. SAPL's obligations**

#### **3.1**

*SAPL expressly reserves the right to act at its own discretion in accepting or declining a request for service, and cannot be compelled to accept or be held liable for declining a request for services or for products:*

- Presenting geographical accessibility problems, such as services to be rendered or products to be found in restricted or highly remote areas;*
- Requiring SAPL to obtain special permissions to operate such as governmental permissions;*
- Falling out of its scope of activity or specialization.*

#### **3.2**

*SAPL will provide Service it has accepted to carry out in a professional and timely manner, in accordance with Client's specific instructions, proper professional practice and in compliance with:*

- Any relevant professional standard, trade custom, usage or practice;*
- Such methods as SAPL shall consider appropriate on technical, operational and/or financial grounds.*

### **Article 4. Client's obligations and undertakings**

#### **4.1**

*All reasonable steps will be taken to assure SAPL has access to the site and materials on which Service will be based;*

#### **4.2**

*SAPL will be provided with all information and samples, as well as the documents necessary to complete requested Service, in a timely manner (and in any event not later than 48 hours prior to the desired intervention), except for generally available documents such as codes and standards, either directly or through suppliers or agents of the Client;*

#### **4.3**

*To insure that adequate instructions and notice are given to SAPL in due time to facilitate proper performance for the Service requested;*

#### **4.4**

*SAPL will be advised of the date on which the Service will start, or be resumed, and also of essential dates affecting the item(s) for which Service is being carried out;*

#### **4.5**

*Generally to render all reasonable assistance to SAPL in providing necessary instructions, information, documents, safety and security information in connection with the working conditions, required equipment and access (as the case may be);*

#### 4.6

*Documents reflecting engagements between the Client and third parties or third parties' documents - if received by SAPL - are considered to be for information only and do not extend or restrict the scope of the services or obligations accepted by SAPL.*

## **Article 5. Fees and payment**

### 5.1

#### *Payment*

*Payment is expected on- or offline upon booking prior to the performance of the Service. Should payment occur after the performance of the Service (or more than 24 hours after booking for Testing), an extra 8% charge will be added to the order pricing.*

*All Inspections, Audits and Testing are billed together in one monthly invoice, issued at the month-end.*

*Invoices can be settled offline by transfer (T/T). Monthly invoices are payable immediately upon receipt, each party bearing their own bank charges (including intermediary bank charges if client's bank doesn't process the transfer themselves).*

*Late payment will incur an interest charge at 5% per month, or fraction thereof.*

### 5.2.

*Cancellation charges: we accept cancellation until 12 pm (Local Hong Kong/ China Time) the day before the projected Inspection date. After this limit, the Service booked will be charged in full.*

### 5.3

*If SAPL is being prevented from performing or completing in full requested Service, for any reason beyond its control, such as but not limited to, wrong information given by Client or Factory (for example: goods are not ready for Inspection despite information given by Factory), the Client shall nevertheless make the payment of:*

- out of pocket expenses made by SAPL;*
- proportion of fees due for Service actually carried out.*

### 5.4

*All services are subject to a minimum charge of USD 300 per order.*

## *Article 6. Liability and indemnification*

### *6.1*

#### *Limitation of liability*

##### *6.1.1*

*Clients seeking a guarantee against loss or damage should obtain appropriate insurance. SAPL is neither an insurer nor a guarantor and disclaims such capacity.*

##### *6.1.2*

*Subject to the Client's instructions as accepted by SAPL (as specified in the terms of reference), SAPL will issue the Report relating to the facts as recorded by it within the limits of the instructions received and on the basis of the documents and information provided by the Client (refer to article 4 above), but SAPL is under no obligation to report upon any facts or circumstances which are outside the specific scope of its assignment.*

##### *6.1.3*

*SAPL advice is given only in relation to documents and information provided by the Client and SAPL cannot be held liable if it has received incomplete or incorrect information.*

##### *6.1.4*

*SAPL undertakes to use its best efforts and to exercise due care and skill in the performance of its Service, and accepts liability only in case of negligence proven by the Client.*

### *6.2*

#### *Indemnification*

##### *6.2.1*

*In the event of SAPL being held liable in respect of any claim for loss, damage or expense of whatsoever nature and however arising, its liability to the Client shall in no circumstances exceed 2 times the total aggregate sum of fees paid for the specific Service for which a claim is made.*

##### *6.2.2*

*The Client shall guarantee and indemnify SAPL and its servants, agents or subcontractors against all claims made by third parties for loss, damage or expense of whatsoever nature arising, relating to the performance or non-performance of any service, to the extent that the total sum of such claims exceed the limitation of liability mentioned in Article 6.2.1.*

### *6.3*

*In the event of any claim, notice must be given to SAPL within 2 months from the completion of a SAPL Service.*

## **Article 7. Termination of services**

*SAPL shall be entitled to automatically either terminate and/or suspend provision of services in the event that:*

### **7.1**

*The Client commits any material breach of its obligations under these terms and conditions and/or the terms of reference and (if such breach shall be capable of remedy) fails to make good such breach within 7 days of receipt of notice served by the Non-Defaulting Party (SAPL) requiring it so to do. Material breaches include, without limitation any willful and deliberate breach by the Client of its obligations under article 4 here above;*

### **7.2**

*The Client is insolvent or unable to pay its debts, in suspension of payments, or convenes a meeting of or compounds with its creditors or has a receiving order made against it or (other than for the purposes of bona fide amalgamation or reconstruction) has an order made or a resolution passed for its winding up or for the appointment of an administrator to manage its affairs, business and property or has a receiver or administrative receiver appointed over any of its assets or undertaking or if SAPL takes or suffers any similar or analogous action in consequence of debt.*

## **Article 8. Miscellaneous**

### **8.1**

*The Report will reflect findings of the Service at the time and place of Service. This Report does not discharge sellers and suppliers from their legal and/or commercial obligations towards the principle.*

## **Article 9. Applicable and Governing Law, Jurisdiction and settlement of dispute**

### **9.1**

*These terms and conditions shall be governed by and construed in accordance with Hong Kong Law, unless otherwise provided.*

### **9.2**

*All disputes or differences of any kind whatsoever between the parties in connection with or arising out of the services shall be submitted to the non exclusive jurisdiction of the courts of Hong Kong.*

## **Article 10. Language**

### **10.1**

*These terms and conditions have been drafted in English. In case of discrepancy, the English version shall be controlling for all purposes.*