

Terms and Conditions of Sales Contract

1. Conclusion of Contract

These terms and conditions shall apply exclusively; no terms and conditions of the Buyer that conflict with or differ from Ingersoll Rand Machinery (Shanghai) Co., Ltd. (“Seller”) terms and conditions will be accepted unless Ingersoll Rand has explicitly approved their applicability in writing. These terms and conditions shall apply even if Ingersoll Rand, in the knowledge that the Buyer’s terms and conditions conflict with or differ from its terms and conditions, delivers to the Buyer without any reservations.

These terms and conditions shall also apply to all future transactions with the Buyer unless the Seller and the Buyer agrees otherwise in writing.

2. Terms of Payment

- 1) Payments shall be rendered to Seller’s bank account without deduction on the agreed dates.
- 2) If and to the extent the purchase price for goods has been deferred in whole or in part by Ingersoll Rand, the relevant remainder to which Ingersoll Rand is entitled shall become due and payable immediately when such goods have been resold by the Buyer. In the event of a deferral of the purchase price for more than one item, any partial payments rendered shall apply first to the item delivered earlier.

3. Delivery and Risk of Loss

If the Buyer picks up the goods by themselves, the delivery of the goods to the Buyer at the Seller’s warehouse is deemed as completion of delivery. If the Seller arranges for transportation on behalf of the Buyer, the delivery of the goods to the transportation company at the Seller’s warehouse is deemed as completion of delivery. The risk of loss of the Goods shall be borne by the Buyer upon delivery.

4. Inland Freight, Insurance

Following the delivery of the Goods at the Seller’s warehouse, the freight and insurance thereof shall be borne by the Buyer unless the parties agree otherwise in writing.

5. Liabilities for Breaching of the Contract

1) If the Buyer fails to pay the down-payment to the Seller within 15 days after execution of the Contract, the Seller shall have the right to terminate the Contract upon notifying the Buyer in writing.

2) If the actual shipment date is 30 days later than the shipment date specified in the Contract due to the Buyer's fault, the Seller reserves the right to re-adjust the selling price in effect on the actual shipping date.

6. Ownership of the Goods

The Seller reserves the ownership of the Goods delivered until the Buyer has paid fully to the Seller the Purchase Price and all related costs (shipping costs, custom duty, VAT, insurance costs, etc) as stated in the Contract for such Goods.

7. Warranty

The Seller warrants that the Goods manufactured by the Seller or its affiliate(s) (collectively, "Ingersoll Rand") and delivered hereunder conform to Ingersoll Rand's quality standard in material and workmanship for a period of 12 months from the date of placing the Goods in operation or 18 months from the date of shipment, whichever shall first occur, provided that the Goods are correctly installed, used and maintained. Warranty matters are to be taken care of by Seller's customer service department and branch office. The Buyer shall notify the Seller in writing immediately within the warranty period if the Goods fail to comply with the contractual requirements. The Seller shall make appropriate repair or provide replacement parts to rectify the above non-conformity, provided that the Buyer has stored, installed, maintained and used the Goods correctly and complied with the Seller's suggestion. For the parts or equipment supplied by the Seller but produced by other manufacturer, the warranty that is provided by such other manufacture to the Seller and can be transferred to the Buyer shall apply. For the parts used to be added to the Goods at the request of the Buyer, which the Seller will not use or add if not requested by the Buyer, this warranty shall not apply. The Seller will not be responsible for the repair, replace or adjustment of the Goods or labour costs by the Buyer or any other party without the prior written consent of the Seller. Normal wear and tear should be outside of the warranty scope. THE SELLER MAKES NO OTHER WARRANTY OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED. ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED.

8. Confidentiality

The parties hereto acknowledge that confidential information (including trade secrets, “Information”) shall be provided exclusively to each other. The parties and their respective employees and directors shall maintain confidentiality of the Information and shall use the Information exclusively for the purpose of the Contract.

9. Force Majeure

Performance is excused when there is any contingency beyond the reasonable control of the Seller or the Buyer (for example, earthquake, typhoon, storm, fire disaster, war, rebellion, breakage of equipment, governmental actions or legislation, labor difficulties, and other unpredictable Force Majeure events) and such contingency has prevented the Seller or the Buyer, as applicable, from performing its obligations under this Contract..

10. Disputes Settlement

All disputes arising from the execution of or in connection with the Contract shall be settled through friendly consultation between the parties. In case no agreement can be reached through consultations, such dispute shall be governed by Chinese law and shall be submit to Shanghai International Economic and Trade Arbitration Commission (“SIETAC”) for arbitration in Shanghai. The SIETAC Arbitration Rules then in effect shall apply. .

11. Limitation of Liability

1) The liability of Seller shall not exceed the purchase price of the Goods upon which such liability arises, whether the claim is based on contract, warranty, tort, negligence, strict liability, indemnity, statute or otherwise.

2) In no event shall the seller be liable for any consequential, incidental, indirect, special or punitive losses or damages arising out of this Contract, whether based on contract, warranty, tort, negligence, strict liability, indemnity, statute or otherwise, even if it has been advised of the possibility of such losses or damages.

12. Notice of Claims

The Buyer shall notify the Seller in writing of any claim for damages within sixty (60) days after the Buyer learns or should have learned such damage. Without delivery of such written notice within the sixty (60)-day period, the Buyer shall have no right to claim any damages against the Seller.

13. Others

- 1) In case the Seller is to handle the transportation on behalf of the Buyer, the Seller shall notify the Buyer in writing of shipment after such Goods are released. In case the Buyer has not received such Goods after 20 days of such release, the Buyer shall notify the Seller immediately, otherwise it shall be deemed by the Seller that the Buyer has received such Goods. When the Goods arrive at the Buyer who shall conduct an acceptance inspection promptly, and if the goods are found to be not in compliance with the contract requirements during such inspection, the Buyer shall take proper care of such Goods and raise a written non-conforming report to the Seller within 15 days from the Goods arrival. If the Buyer does not raise a written non-conforming report to the Seller within 30 days from the Goods arrival, it shall be deemed that the Goods delivered are in compliance with the provisions of the contract.
- 2) The Seller shall not be responsible for any quality issues of the Goods due to misuse and poor storage and maintenance by the Buyer.
- 3) If the Buyer requests to change destination of delivery, consignee or mode of transportation, they shall notify the Seller in writing two days before the confirmed date of delivery in accordance with this contract. Any additional cost or expense caused by such changes shall be borne by the Buyer.
- 4) The equipment price does NOT include any kinds of tax imposed by the local government authorities in the place of destination of the Buyer, if any taxes are required to be paid by the Seller, they shall be added to the prices separately herein and shall be paid to the Seller by the Buyer.

The Buyer :

The Seller:

Ingersoll-Rand Machinery (Shanghai) Co. Ltd.

Representative:

Representative:

Bank Information:

Bank Information:

Standard Chartered Bank (China) Limited,
Shanghai Branch

SWIFT Code: SCBLCNSXSHA

Account: 4040950011