General Terms and Conditions of Sale  
Ho Chi Minh City, 01.06.2015

§ 1 Scope of application

(1) The following conditions shall apply to all supplies and services (e.g., installation, design) by ALPLA. These conditions shall also apply to future business.

(2) Contrary terms and conditions, in particular Terms and Conditions of Purchase of the customer, are not accepted and shall not apply. No objection is required on the part of ALPLA.

(3) Any amendment to these conditions must be in writing. Submission of an order or acceptance of delivery shall constitute acceptance of these conditions in every case.

§ 2 Quotation, acceptance, order confirmation

(1) ALPLA’s quotations are valid for 60 days unless otherwise stated in the quotation. ALPLA’s quotations are non-binding only.

(2) ALPLA accepts orders by confirmation of the order in writing. Should ALPLA’s order confirmation deviate from the conditions of an order, the legal transaction shall be performed under ALPLA’s conditions, unless the customer objects in writing immediately after receipt of the order confirmation. It is explicitly agreed between ALPLA and the customer that acceptance of ALPLA’s conditions shall be valid and enforceable even if these General Terms and Conditions of Sale are deemed Standard Form Clauses in accordance with Art.407 of the Civil Code.

§ 3 Price

(1) Unless otherwise agreed, all prices are quoted net ex-works. Unless otherwise agreed, the prices valid on the day of delivery shall apply.

(2) If prices have been agreed and the costs on which these prices were based change, ALPLA is entitled to adjust the prices in accordance with the change in costs. It is explicitly agreed between ALPLA and the customer that this right to adjust the prices shall be valid and enforceable even if these General Terms and Conditions of Sale are deemed Standard Form Clauses in accordance with Art.407 of the Civil Code.

(3) If delivery is carried out at a later date due to circumstances within the customer’s control, ALPLA shall be entitled to offset the resulting higher costs with correspondingly higher prices. This shall not affect ALPLA’s right to compensation for loss due to other causes. It is explicitly agreed between ALPLA and the customer that this right to adjust the prices shall be valid and enforceable even if these General Terms and Conditions of Sale are deemed Standard Form Clauses in accordance with Art.407 of the Civil Code.

(4) The customer shall bear all taxes, especially but not limited to Vietnamese VAT, customs duties and other charges which it has to pay upon receipt of the delivery, unless ALPLA has undertaken in writing to assume these charges.

§ 4 Place of performance, delivery

(1) The place of performance is the respective supplying factory of ALPLA.

(2) Dispatch and transport take place for the account and at the risk of the customer. As soon as delivery has been made at the place of performance, the risk passes to the customer. Should the customer not accept the delivery, it is in default of acceptance unless the customer has a statutory right to refuse acceptance. Furthermore, ALPLA’s delivery is deemed to have been made in this case and ALPLA is entitled to store the goods at the customer’s expense. The storage costs incurred shall be immediately refunded to ALPLA.

(3) ALPLA is entitled to partial deliveries, subject to these conditions in their entirety.

(4) Should ALPLA be unable to deliver on the agreed date due to unforeseen circumstances beyond its control (force majeure, suppliers’ delivery delays, operating defects or interruptions through no fault of its own, transport delays, shortage of raw materials or energy through no fault of its own, etc.), ALPLA shall be entitled to deliver on the earliest possible date, provided the customer is able to accept delivery on this date. Otherwise, ALPLA shall be entitled to withdraw from the contract. In other cases of delayed delivery, ALPLA shall only be liable in the event of its own gross negligence and intent. It is explicitly agreed between ALPLA and the customer that this limitation shall be valid and enforceable even if these General Terms and Conditions of Sales are deemed Standard Form Clause in accordance with Art.407 of the Civil Code.

(5) If the customer is not granted an import license, this shall not discharge him from performance.

§ 5 Warranty and liability

(1) ALPLA guarantees that the goods conform to the agreed specifications. The customary tolerances shall apply. Other statutory rights regarding goods not conforming with the contract are explicitly excluded. It is explicitly agreed between ALPLA and the customer that this limitation shall be valid and enforceable even if these General Terms and Conditions of Sales are deemed Standard Form Clause in accordance with Art.407 of the Civil Code.

(2) The customer shall inspect the goods carefully on receipt and shall notify any defects in writing within ten days of handover by submitting a sample of the faulty goods. The notice has to be accompanied by a picture of the faulty goods which has been taken immediately after inspection and detection of any fault. Should the customer not fulfill these requirements, any claims of the customer against ALPLA in respect of the faulty goods, including claims for...
consequential loss, shall be excluded. If a defect is notified in due time, ALPLA shall, at its discretion, provide a remedy by improving, replacing or taking back the faulty goods and crediting the purchase price or reducing the price. All other rights of the customer, including, but not limited to, the right to claim damages, shall be excluded. It is explicitly agreed between ALPLA and the customer that these limitations shall be valid and enforceable even if these General Terms and Conditions of Sales are deemed Standard Form Clause in accordance with Art.407 of the Civil Code.

§ 6 Retention of title

(1) The customer shall retain title to the delivered goods as a security given to ALPLA, for the fulfillment of all duties incumbent upon the customer, in particular until payment of the purchase price in full.

(2) The customer shall assign to ALPLA insurance or compensation claims arising from destruction or damage to the reserved property.

(3) Pledging the reserved property and transferring the property by way of security is not permitted.

(4) Should ALPLA make use of its reserved ownership of the products subject by taking back the reserved property, ALPLA shall be entitled to sell the products subject to retention of title or to have these provided auctioned free-hand. The products subject to retention of title are retained for the proceeds thereby gained, but at no more than the price originally agreed. ALPLA reserves the right to claim for damages.

§ 7 Payment and default

(1) The place of performance for payment is the respective supplying factory of ALPLA.

(2) Bills of exchange and cheques are accepted only for the purposes of payment and on agreement in writing.

(3) The purchase price shall be paid in full within 30 days of the date of the invoice unless otherwise stated in the quotation, offer or agreement.

(4) In the event that the payment is not made when due, ALPLA is entitled to:
- delay performance of its obligations until the outstanding payment has been made,
- in case of delayed payment of the customer, ALPLA is entitled to demand interest on such delayed payment at the rate of 150 % of the 6-M deposit interest rate for corporate announced by Vietcombank at the time of payment for the delayed period.
- claim an appropriate extension of the delivery or performance deadline,
- demand payment of the entire outstanding amount,
- offset all dunning and collection costs and the statutory default interest calculated at the rate of 150 % of the 6-M deposit interest rate for corporate announced by Vietcombank at the time of offsetting, or
- in the case of non-compliance with an additional period of time of reasonable length, withdraw from the contract, whereby ALPLA shall also be entitled to withdraw from the contract as a whole in the case of divisible delivery. Should ALPLA withdraw, the customer shall pay ALPLA an immediate cancellation charge of 8% of the price and reimburse any additional losses.

It is explicitly agreed between ALPLA and the customer that the limitations stated in this Section (4) shall be valid and enforceable even if these General Terms and Conditions of Sales are deemed Standard Form Clause in accordance with Art.407 of the Civil Code.

(5) Should judicial execution be levied upon the customer's assets, or if ALPLA is in doubt concerning the customer's ability to pay, ALPLA shall be entitled to:
- demand all accounts receivable immediately, regardless of their due date,
- withhold all deliveries from contracts not yet fulfilled and make deliveries only against advance payment. Should the customer refuse to pay in advance, ALPLA shall be able to withdraw from the contract and also claim compensation for damages.
(6) Should the customer be in default of acceptance, payment is due immediately.

(7) Even if originally allocated elsewhere, payments are always calculated on the basis of the oldest debt and the interest and costs incurred.

§ 8 (Moulding) tools

(1) Unless otherwise agreed, ALPLA shall remain the owner of the moulds it has produced or which have been commissioned from a third party for the customer. Should the customer become the owner of the moulds, ownership shall be transferred to him only on full payment of the purchase price.

(2) By express agreement and as long as the customer discharges its payment and acceptance obligations, moulds shall be used only for the customer's orders.

(3) The price for production moulds includes the costs of two sampling days, but not the costs of testing and tooling fixtures or the costs of modifications initiated by the customer.

(4) ALPLA is obligated to replace moulds only if their initial design does not date back more than three years, the forms are required to fulfill a delivery volume warranted to the customer, and the customer discharges its payment and acceptance obligations.

(5) ALPLA shall keep moulds for two years beyond the last delivery, which is produced with such particular moulds. ALPLA shall inform the customer prior to disposal of a mould.

(6) Should the customer discontinue ordering products produced by a mould, all obligations of ALPLA in respect of such moulds shall automatically terminate except for the obligation as laid down in Sec. § 8 (5) above. In case the moulds have been repaid at such time, the customer can request handover of such moulds at his own expenses.

(7) Should a contract end before the moulds are repaid, the customer shall pay all amounts still outstanding for such moulds, including all development, modification and financing costs as well as all other costs that have arisen in respect of the development and usage of such moulds.

(8) For damage to moulds owned by the customer, ALPLA shall be liable only in the event of intent or qualified gross negligence, nor shall ALPLA be liable for these moulds accidentally perishing. ALPLA shall insure these moulds at the customer's request. The costs of doing so shall be borne by the customer, as are the costs of maintaining and servicing these moulds.

(9) Should the customer not collect moulds belonging to him within a reasonable period of time after the contract ends, ALPLA shall be entitled to store or dispose of the moulds at the customer's expense. ALPLA shall be entitled irrespective of this to keep moulds owned by the customer until the customer discharges in full all obligations arising from the contract and incumbent upon it.

§ 9 Place of jurisdiction and applicable law

(1) All legal relations between ALPLA and the customer are governed by the laws of the Socialist Republic of Vietnam. The UN Convention on Contracts for the International Sale of Goods shall not apply.

(2) Any dispute arising out of or in relation with this contract shall be resolved by arbitration at the Vietnam International Arbitration Centre at the Vietnam Chamber of Commerce and Industry (VIAC) in accordance with its Rules of Arbitration. The arbitration procedures shall be held in Ho Chi Minh City. The language of the arbitration proceedings shall be the English language.

§ 10 Reusable packaging

(1) Reusable packaging is and remains the property of ALPLA. The customer shall be liable for any damage or loss to this. ALPLA alone shall decide whether reusable packaging is damaged, at its own discretion. It is explicitly agreed between ALPLA and the customer that this right shall be valid and enforceable even if these General Terms and Conditions of Sales are deemed Standard Form Clause in accordance with Art.407 of the Civil Code.

(2) The customer shall return the reusable packaging to ALPLA in undamaged condition without request from ALPLA after emptying it. Should insolvency proceedings be opened concerning the customer’s assets or the business relationship end for any reason whatever, the customer shall likewise return the reusable packaging without request.

(3) The customer shall be charged retro-actively each quarter for damaged and lost reusable packaging and reusable packaging not returned in due time. Should insolvency proceedings be opened concerning the customer’s assets or the business relationship end for any reason whatever, the costs of damaged and lost reusable packaging and reusable packaging not returned in due time shall be settled immediately. Reusable packaging placed to account shall be paid for within 30 days of the date of invoice without any deductions.

§ 11 Final provisions

(1) The customer is not entitled to offset any claims against ALPLA with claims for payment against it by ALPLA. The customer has no right of retention. It is explicitly agreed between ALPLA and the customer that this limitation shall be valid and enforceable even if these General Terms and Conditions for Sales are deemed Standard Form Clause in accordance with Art.407 of the Civil Code.

(2) The customer is not entitled to assign its accounts receivable on delivery of the object of the contract to another party.

(3) Rescission of a contract on the grounds of error by the customer shall be excluded, except where ALPLA commits a substantial breach of its contractual obligations.

(4) Documents or information concerning ALPLA, its products, sales partners or other customers, which are made available to the customer or from which the customer gains other knowledge may not be passed on to third parties, in particular not to rival companies or be made public in any other way. This applies analogously to documents such as samples, drawings, drafts, cost estimates or advertising material which are passed on to the customer or on the basis of which the customer acquires other information. ALPLA retains all rights to such documents.
(5) The customer shall guarantee that no third party rights pertain to the drawings, sketches, models, etc. which it provides. It shall indemnify ALPLA and hold it harmless in respect of all claims arising from a breach of such rights and shall reimburse ALPLA with all costs incurred in this regard. If such rights are asserted, ALPLA is entitled to withdraw from the contract without setting a time extension and to immediately suspend deliveries, without checking the legal situation and without the customer being entitled to assert claims against ALPLA. It is explicitly agreed between ALPLA and the customer that this limitation shall be valid and enforceable even if these Delivery Terms are deemed Standard Form Clause in accordance with Art. 407 of the Civil Code.

(6) Should any provisions of the contract be or become invalid or unenforceable, this shall not affect the validity of the rest of the contract. These invalid or unenforceable provisions shall be deemed to have been replaced with valid and enforceable provisions which most closely reflect the intended economic purpose (severability clause).

(7) These General Terms and Conditions of Sales are made in English with a Vietnamese convenience translation for information purposes only. In case of any discrepancies between the English and the Vietnamese version, the English version shall prevail.

(8) The Parties agree and confirm that the provisions of these General Terms and Conditions of Sales have been considered and explicitly agreed between the customer and ALPLA and thus constitute an alternate individual agreement in the meaning of Art. 407.3 of the Civil Code.