



TERMS AND CONDITIONS OF PURCHASE

1. *Agreement of Purchase*

The Purchase Order, which is printed overleaf, along with these Terms and Conditions of Purchase, constitute an offer by AJC INTERNATIONAL INCORPORATED (as defined in the Purchase Order) to purchase goods from you (as defined in the Purchase Order) on the express terms provided herein and any acceptance of this Purchase Order by you is limited to such terms. No differing terms in any of your proposals, documents or instruments will change or amend our terms. You may accept this Purchase Order by the earlier of either: (i) signing and returning to us by mail or confirmed fax the acknowledgement copy or (ii) shipment of the goods by specified carrier and means subject to this Purchase Order. Your acceptance of this Purchase Order shall constitute a binding agreement between you and AJC INTERNATIONAL INCORPORATED.

You may only accept this Purchase Order without any changes or amendments. Any attempt to make changes or amendments in your communication of acceptance shall be objected to, rejected by and not binding on AJC INTERNATIONAL INCORPORATED. In respect of this Purchase Order, any proposal by you for additional or different terms, or any attempt to modify or vary terms of such Purchase Order in any way, is objected to, rejected by and not binding on AJC INTERNATIONAL INCORPORATED.

AJC INTERNATIONAL INCORPORATED has the right upon notice to you to make changes in drawings, designs, specifications, materials, packaging, time and place of delivery, and method of transportation for this Purchase Order ("Variation Notice"). If any such changes cause an increase or decrease in the cost or the time required for performance of this Purchase Order, an equitable adjustment may be made, provided that no increase shall be made unless the cost is over USD10,000. Within [30] days of your receipt of a Variation Notice, you must provide AJC INTERNATIONAL INCORPORATED in writing details of the cost fluctuation as a result of implementation of the requested variation. AJC INTERNATIONAL INCORPORATED will then discuss and agree with you over the reasonable price adjustment. Once agreed, the Purchase Order will be deemed to be amended accordingly.

AJC INTERNATIONAL INCORPORATED reserves the right to cancel and withdraw the Purchase Order in whole or in part by written notice anytime before this Purchase Order is accepted or in the case Purchase Order, at any time prior to shipment by you pursuant to Section 11. Such notice is deemed received upon the earlier of (i) personal delivery, (ii) fax confirmation (iii) one day after dispatch via overnight carrier or (iv) one day after posting by first class air mail and pre-payment of postage (for international mail).

2. *Description*

This purchase by AJC INTERNATIONAL INCORPORATED is only for the goods expressly described. You have to deliver goods in the kind, grade, quality or specification as set out in this Purchase Order.

3. **Quantity**

This purchase by AJC INTERNATIONAL INCORPORATED is only for the quantity of goods expressly provided. No change in number or amounts will be accepted by AJC INTERNATIONAL INCORPORATED without its express prior written consent. Partial shipments are not authorized or accepted by AJC INTERNATIONAL INCORPORATED except as expressly provided in this Purchase Order or agreed in writing in advance by AJC INTERNATIONAL INCORPORATED.

4. **Price**

This purchase by AJC INTERNATIONAL INCORPORATED is only at or below the price of goods expressly provided. No change in price of goods is accepted by AJC INTERNATIONAL INCORPORATED without its express prior written consent. You warrant to AJC INTERNATIONAL INCORPORATED that the prices for the goods sold to us under this Purchase Order are complete and inclusive of all necessary tax and duties. Save for the situation where a Variation Notice is issued by AJC INTERNATIONAL INCORPORATED in accordance with Section 1, the price is not subject to change even if there is an increase in your costs in acquiring the goods for delivery pursuant to this Purchase Order.

5. **Payment and Set-off**

[On the first business day of the month immediately after the month in which the goods under this Purchase Order is delivered, you shall issue to AJC INTERNATIONAL INCORPORATED an official invoice (stating the date of delivery, amount and type of goods delivered and the total amount due only in accordance with and under this Purchase Order) and provide all supporting documents such as the Bill of Lading, Certificate of Origin and Certificate of Health. Provided that details set out in the invoice such as the total amount due matches with the Purchase Order and there is no reasonable basis for any claim under Section 8, AJC INTERNATIONAL INCORPORATED shall settle the amount as stated in the invoice within thirty (30) days of receipt of such invoice unless otherwise stated in the Purchase Order. Payment shall be made in accordance with the payment terms as set out in the Purchase Order].

AJC INTERNATIONAL INCORPORATED reserves the right to, without prior agreement or notice, set-off the amount payable to you under this Purchase Order against any amount you may owe to us under this Purchase Order or other purchase orders. AJC INTERNATIONAL INCORPORATED will provide you with details of such set-off.

6. **Delivery**

AJC INTERNATIONAL INCORPORATED is purchasing the goods from you for resale. Title to the goods shall pass to AJC INTERNATIONAL INCORPORATED upon (a) payment; (b) delivery of shipment documents; or (c) delivery of goods, whichever is earlier. You acknowledge that we have promised deliveries to our customers based on the delivery date(s) and destination as specified in this Purchase Order and therefore time is of the essence for this Purchase Order. If deliveries are not made by the date(s) to the specified destination in accordance to this Purchase Order, AJC INTERNATIONAL INCORPORATED reserves the right without liability and in addition to its other rights and remedies to (i) terminate this Purchase Order by notice as to goods not yet received and (ii) purchase substitute items elsewhere and charge you with any loss incurred.

If in order to comply with AJC INTERNATIONAL INCORPORATED's required delivery date it becomes necessary for you to ship goods by a more expensive way than specified in this Purchase Order, you will be fully responsible for any increased transportation costs resulting therefrom unless the necessity for such rerouting or expedited handling is requested by AJC INTERNATIONAL INCORPORATED.

All goods purchased under this Purchase Order will (i) be produced and delivered to AJC INTERNATIONAL INCORPORATED in compliance with all applicable foreign, federal, state and local laws and (ii) will be accompanied by all applicable documents (as required by applicable foreign and domestic law) for export by you and import by AJC INTERNATIONAL INCORPORATED from your country to its designated destination, or other documents reasonably requested by AJC INTERNATIONAL INCORPORATED. IF AJC INTERNATIONAL INCORPORATED NOTIFIES YOU THE GOODS ARE TO BE INSPECTED FOR AND SUITABLE FOR EXPORT AND ENTRY INTO ANOTHER SPECIFIED COUNTRY, YOU WILL PROVIDE ALL APPLICABLE AND PROPER DOCUMENTS AS REQUIRED BY THE LAWS OF THE SPECIFIED COUNTRY OF DESTINATION TO FACILITATE EXPORT BY AJC INTERNATIONAL INCORPORATED FROM HONG KONG AND IMPORT BY OUR CUSTOMER TO SUCH SPECIFIED COUNTRY OF DESTINATION. You shall comply with all applicable laws which relate to frozen food, including but not limited to:

- i. Food and Drugs (Composition and Labeling) Regulations (Cap. 132W) and the Guidelines on Labeling Compliance.
- ii. Imported Games, Meat, Poultry and Eggs Regulations, which is an ancillary regulation under Public Health and Municipal Services Ordinance (Cap. 132).
- iii. Trade Descriptions Ordinance (Cap. 362) and its ancillary regulations.
- iv. their equivalent legislations in your country; and
- v. if another destination is provided in the Purchase Order, the equivalent legislations in such country.

Upon delivery and before or after payment (without regard to the manner of shipment or any shipping or price terms), AJC INTERNATIONAL INCORPORATED has the right but not the obligation to inspect all goods delivered under this Purchase Order and to reject any or all such goods which are defective or nonconforming. For a period of ninety (90) days after delivery to AJC INTERNATIONAL INCORPORATED (or our customer, as applicable), such period being deemed reasonable by the parties, we reserve the absolute right to reject any acceptance of nonconforming goods, the nonconformity of which was not perceptible upon initial inspection. In such event, AJC INTERNATIONAL INCORPORATED has the right to demand you to replace the rejected goods and compensate AJC INTERNATIONAL INCORPORATED of any losses or damages incurred. Alternatively, AJC INTERNATIONAL INCORPORATED has the right to cancel and terminate the Purchase Order, purchase substitute elsewhere and charge you with any loss incurred. Payments made by AJC INTERNATIONAL INCORPORATED to you for the goods delivered under this Purchase Order do not constitute acceptance of the goods.

7. *Force Majeure*

Notwithstanding any other provision of this Purchase Order, to the extent AJC INTERNATIONAL INCORPORATED fails to satisfy any obligation imposed hereunder as a result of any force majeure, performance of this Purchase Order will be deemed frustrated and no cause of action for breach or default will arise or liability attach to or be imposed on AJC INTERNATIONAL INCORPORATED as a consequence thereof. For the purposes of this Purchase Order, "force majeure" means strikes, work stoppages, lockouts or exceptional circumstances arising from the threat thereof, acts of God, acts of the state or the public enemy, including but not limited to war, acts of nations, acts of governments, acts of independent states, terroristic acts, riots, civil disorder or insurrection, animal and vegetable health or safety issues, embargoes, or other disruption of or interference with trade, marine disaster, fire, accident, or other circumstance or cause beyond our control. AJC INTERNATIONAL INCORPORATED will notify you at the address set forth on the face hereof within a commercially reasonable period of time in the event of any force majeure delays acceptance of goods.

Under a force majeure situation, AJC INTERNATIONAL INCORPORATED has the right to terminate this Purchase Order or any portion thereof, without imposition of penalty or obligation, legal or otherwise.

8. **Warranties**

You warrant in favor of AJC INTERNATIONAL INCORPORATED that:

- i. you are a validly existing company duly incorporated under the law of incorporation.
- ii. you have the legal right, full power and authority and all necessary consents and authorisations to enter into and perform its obligations under this Purchase Order, which
 - a. constitute, or will when executed constitute, valid and binding obligations on you and will be enforceable in accordance with their respective terms; and
 - b. will not conflict with or breach any provision of its constitutional documents, any agreement or instrument to which it is party or by which it is bound, conflict with or breach any applicable law or any requirement of any authority to which it is subject or submits or require the consent, approval or authorization of any authority.
- iii. all goods purchased under this Purchase Order at the time of delivery to AJC INTERNATIONAL INCORPORATED (or our customer, as applicable) will be merchantable in the trade as goods strictly of the kind, grade, quality and specification described therein. The goods will be of good quality and free from defects, and will otherwise conform to the specifications established in this Purchase Order. If you know or have reasons to know the particular purpose for which AJC INTERNATIONAL INCORPORATED intends to use the goods, you warrant such goods will be fit for such particular purpose. You further warrant that you will have good and marketable title to any goods provided under this Purchase Order at the time of delivery to AJC INTERNATIONAL INCORPORATED (or our customer, as applicable).
- iv. all goods supplied under this Purchase Order will be produced in compliance with, and you agree to be bound by, all applicable federal, state and local laws, orders, rules and regulations.
- v. by acceptance of this Purchase Order, you are and will continue to be in full compliance with the law of your exporting country, the importing country of AJC INTERNATIONAL INCORPORATED and the importing country of our customers if disclosed to you.
- vi. all papers and documents provided as required by applicable laws in exporting and importing countries are true and genuine.
- vii. the manufacturer, packaging, storage, shipping, transportation and billing are in full compliance with all applicable laws and regulations in the jurisdiction(s) in which this Purchase Order and our resale business operates, such laws and regulations include but are not limited to the ones listed out in Section 6.

The warranties herein will survive inspection, test, acceptance and use. No inspection, test, acceptance or use of the goods furnished hereunder will affect your obligations under these warranties to AJC INTERNATIONAL INCORPORATED. The warranties herein will run to AJC INTERNATIONAL INCORPORATED, as well as our successor and assigns, customers, users and consumers of such goods, and you acknowledge and expressly permit assignment of this warranty by AJC INTERNATIONAL INCORPORATED to such persons.

9. **Indemnity**

You shall indemnify AJC INTERNATIONAL INCORPORATED on full indemnity basis all direct, indirect or consequential claims, costs and damage to profit and reputation suffered or incurred by AJC INTERNATIONAL INCORPORATED arising out of or in connection with a breach of any warranty set out in Section 8.

You shall also indemnify AJC INTERNATIONAL INCORPORATED on full indemnity basis against all direct, indirect or consequential claims, costs and damage to profit and reputation suffered or incurred by AJC INTERNATIONAL INCORPORATED arising out of or in connection with:

- i. any third party claim arising out of, or in connection with, the supply of frozen food involving negligence on the part of your employee, agents and subcontractors, and failure or delay in shipment of goods under this Purchase Order; and
- ii. any third party claim for death, personal injury or damage to property arising out of, or in connection with defected goods, to the extent that the defect is attributable to acts or omission on your part or on the part of your employees, agents or subcontractors.

10. **Insurance**

You are obliged to obtain adequate insurance coverage for this trade and name AJC INTERNATIONAL INCORPORATED as an additional insured. You agree upon request by AJC INTERNATIONAL INCORPORATED to submit certificates of insurance evidencing product liability, completed operations, contractor's liability and protective liability, automotive liability insurance (including non-owned automotive liability), workers' compensation and employer's liability insurance coverage. AJC INTERNATIONAL INCORPORATED has the right to but is not obliged to claim compensation under such insurance and no recovery by AJC INTERNATIONAL INCORPORATED under any policy of insurance procured by you may limit, waive or bar any other right, remedy, claim, cause of action or recovery that AJC INTERNATIONAL INCORPORATED may have against you under this Purchase Order or pursuant to applicable law.

11. **Termination**

i. *Termination by You*

- a. You may terminate this Purchase Order by notice (i) upon AJC INTERNATIONAL INCORPORATED's failure to make payment in accordance with this Purchase Order within sixty (60) days of from its receipt of your notice of AJC INTERNATIONAL INCORPORATED's failure to pay sums due thereof, or (ii) upon AJC INTERNATIONAL INCORPORATED's failure to cure any other material breach of this Purchase Order within sixty (60) days, or such longer period as may be reasonably required to cure such breach provided that AJC INTERNATIONAL INCORPORATED takes immediate steps to cure such breach and pursue such cure to completion diligently, from its receipt of written notice of such breach from you stating with reasonable particularity the facts thereof.
- b. In the event of rightful termination in accordance to Section 11(i) (a) this Purchase Order will be terminated and you will have no further obligations to AJC INTERNATIONAL INCORPORATED except as expressly provided herein.

ii. *Termination by AJC INTERNATIONAL INCORPORATED*

- a. AJC INTERNATIONAL INCORPORATED may by notice terminate this Purchase Order if you breach any term of this Purchase Order; or you fail to promptly provide reasonable assurance of future performance of this Purchase Order upon request.
- b. In the event of termination by AJC INTERNATIONAL INCORPORATED in accordance with Section 11(ii) (a), this Purchase Order will be terminated and AJC INTERNATIONAL INCORPORATED will have no further obligation to you except as expressly provided herein. AJC INTERNATIONAL INCORPORATED will be entitled to cancel any unfilled part of this Purchase Order without any liability whatsoever and have such other rights and remedies afforded to AJC INTERNATIONAL INCORPORATED for breach of contract under applicable law, including but not limited to the remedies of incidental and consequential damages.
- c. AJC INTERNATIONAL INCORPORATED may terminate this Purchase Order in whole or in part without cause upon written notice to you at any time before shipment of all goods by you. In the event of such termination, you will immediately cease your operation to fulfill this Purchase Order and immediately procure any of your suppliers or subcontractors to cease such work except as AJC INTERNATIONAL INCORPORATED may otherwise direct.
- d. AJC INTERNATIONAL INCORPORATED may terminate this Purchase Order in whole or in part if a partition or a resolution for winding up is filed against or passed by you.
- e. In the event of termination by AJC INTERNATIONAL INCORPORATED without cause prior to shipment of all goods, you will be paid a reasonable termination charge consisting actual and reasonable direct costs such as wasted transportation and packaging cost resulting from termination, less any such costs incurred by you or your suppliers or subcontractors which you reasonably could have avoided. You will not be paid for any work done after receipt of the notice of termination.

12. *Limitations of Liability*

You agree to use your best efforts to minimize any damage to goods upon any breach, failure to pay or termination of this Purchase Order by AJC INTERNATIONAL INCORPORATED. In furtherance and not in limitation of the foregoing, you agree to make reasonable efforts to sell such goods for AJC INTERNATIONAL INCORPORATED's account.

IN NO EVENT WILL AJC INTERNATIONAL INCORPORATED BE LIABLE FOR (I) YOUR ANTICIPATED PROFITS OR FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES YOU PAY OR INCUR OR (II) ANY PENALTIES, ASSESSMENTS, CHARGES OR OTHER FINES. AJC INTERNATIONAL INCORPORATED'S LIABILITY ON ANY CLAIM OF ANY KIND FOR ANY LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM THE PURCHASE ORDER, OR FROM THE PERFORMANCE OR BREACH THEREOF, IS LIMITED TO THE PRICE ALLOCABLE TO THE SPECIFIC GOODS BY AMOUNT THEREOF WHICH GIVE RISE TO THE CLAIM.

Any claims by you for money due or to become due from AJC INTERNATIONAL INCORPORATED under this Purchase Order is subject to deductions or set off by AJC INTERNATIONAL INCORPORATED by reason of an counterclaim arising out of such Purchase Order, any other Purchase Order between AJC INTERNATIONAL INCORPORATED and you, or any other transaction between AJC INTERNATIONAL INCORPORATED and you.

Any action by you resulting from any breach, failure to pay or termination of this Purchase Order by AJC INTERNATIONAL INCORPORATED must be commenced within one (1) year from the date the cause of action accrued.

13. Confidentiality

You hereby undertake not to disclose to any person any confidential information concerning AJC INTERNATIONAL INCORPORATED, its customers and this Purchase Order during the performance of this Purchase Order and for a period of two (2) years after expiration or early termination of this Purchase Order. For the purpose of this Purchase Order, "confidential information" means any information concerning AJC INTERNATIONAL INCORPORATED, any of its customers, and any information relating to their respective operations, processes, plans, product information, know-how, designs, trade secrets, software and market opportunities.

AJC INTERNATIONAL INCORPORATED may disclose any confidential information required by any applicable law or any government authority.

14. Arbitration, Legal Proceedings and Consent to Jurisdiction

Any dispute, controversy, difference or claim arising out of or relating to this Purchase Order, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre under the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the Notice of Arbitration is submitted, and judgment upon the award rendered by the arbitrator(s), may be entered in any court having jurisdiction thereof. The law of this arbitration clause shall be Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrator shall be one. The arbitration proceedings shall be conducted in English.

15. Miscellaneous

This Purchase Order and any agreement thereunder is governed and construed in accordance with the laws of the Hong Kong Special Administrative Region.

The Purchase Order and such terms and conditions herein constitute the entire agreement between AJC INTERNATIONAL INCORPORATED and you, superseding any and all other understandings, representations, proposals or negotiations between the parties, whether oral or written. No oral agreements or representations and no course of dealings between the parties or usage of trade is relevant to supplement, explain, contradict or vary in any way any provision contained in this Purchase Order and these terms and conditions.

None of the terms and conditions contained in this Purchase Order or these terms and conditions may be added to, modified, superseded or otherwise altered except by a written instrument signed by AJC INTERNATIONAL INCORPORATED and you.

All notices allowed or required under this Purchase Order must be in writing and is deemed sufficient if sent to the parties at the addresses given in this Purchase Order (or to such other address as either party may provide in advance) when the notice is (i) delivered by personal delivery, (ii) if by registered or certified mail or pre-payment of postage, one day after such postage, (iii) if by first class air mail or pre-paying of such postage (for international mail), one day after such postage, (iv) if sent by facsimile, telex or telegraph, once facsimile, telex or telegraph confirmation is received, (v) if sent via recognized overnight carrier, one day after dispatch, or (vi) sent by email or other common electronic means (including MSN, WeChat and WhatsApp), at the time the electronic message is sent. Notice shall be deemed given upon earliest receipt by any method provided herein.

Each of the rights and remedies reserved by AJC INTERNATIONAL INCORPORATED in this Purchase Order is cumulative and in addition to any other or further remedies provided by law or equity, or in this Purchase Order.

AJC INTERNATIONAL INCORPORATED's failure to insist on performance of any of the terms or conditions herein by you, our failure to exercise any right or privilege, or our waiver of any breach under this Purchase Order does not thereafter waive any other terms, conditions, privileges or breach, whether of the same or similar type. Any waiver is effective only when in writing and signed by AJC INTERNATIONAL INCORPORATED.

You shall not assign, delegate or otherwise transfer (by merger, asset sale, contract, operation of law or otherwise) your rights or obligations under this Purchase Order or grant a security interest in or pledge as collateral any interest in this Purchase Order, without AJC INTERNATIONAL INCORPORATED'S prior written agreement.

Wherever possible, each provision of this Purchase Order will be interpreted in such a manner as to be effective and valid under applicable law. If any provision of this Purchase Order is prohibited by or invalid under applicable law, said provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Purchase Order.