1. LIMITATION OF WARRANTY. Subject to Section 2 below and unless otherwise expressly provided herein, SINO BIOLOGICAL warrants that the goods shall conform to SINO BIOLOGICAL’s standard published specifications or to the attached specifications, if any, when used in accordance with SINO BIOLOGICAL’s written instructions. Subject to the preceding sentence and except as otherwise expressly provided herein, SINO BIOLOGICAL MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR ANY OTHER MATTER WITH RESPECT TO THE GOODS, whether used alone or in combination with any other material.

2. LIMITATION OF LIABILITY. (a) Immediately upon receipt of each shipment of the goods, Buyer shall inspect the same. Any claim for shortage, credit or return of goods must be made in writing within five (5) business days after Buyer’s receipt of such goods. All other claims for any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) must be made in writing and received by SINO BIOLOGICAL within fifteen (15) days after Buyer learns of the facts upon which such claim is based, but in no event later than sixty (60) days after Buyer’s receipt or non-receipt of the goods, in respect to which such claim is made. Failure of SINO BIOLOGICAL to receive written notice of any such claim within the applicable time period shall be deemed an absolute and unconditional waiver by Buyer of such claim irrespective of whether the facts giving rise to such claim shall have then been discovered or of whether processing, further manufacture, other use or resale of the goods shall have then taken place. (b) BUYER’S EXCLUSIVE REMEDY SHALL BE FOR DAMAGES, AND SINO BIOLOGICAL’S TOTAL LIABILITY FOR ANY AND ALL LOSSES AND DAMAGES ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE) SHALL IN NO EVENT EXCEED THE PURCHASE PRICE OF THE GOODS IN RESPECT TO WHICH SUCH CAUSE ARISES OR, AT SINO BIOLOGICAL’S OPTION, THE REPAIR OR REPLACEMENT OF SUCH GOODS, AND IN NO EVENT SHALL SINO BIOLOGICAL BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES RESULTING FROM ANY SUCH CAUSE. SINO BIOLOGICAL shall not be liable for, and Buyer assumes liability for, all personal injury and property damage connected with the handling, transportation, possession, processing, further manufacture, or other use or resale of the goods, whether the goods are used alone or in combination with any other material. In the absence of any express written Agreement to the contrary, the goods sold by SINO BIOLOGICAL are for research use only, not to be used on humans for diagnostic or therapeutic purposes, for the exclusive use of the Buyer, and are not to be resold. Buyer must receive written authorization from SINO BIOLOGICAL prior to returning any goods or receiving payment for return transportation charges for such goods. Goods returned due to Buyer order error are subject to a restocking charge equal to fifty percent (50%) of the list price of the returned goods, plus shipping charges. Custom, bulk and/or special orders are final and cannot be canceled or returned to SINO BIOLOGICAL. Buyer shall not accept a damaged or short shipment until the delivery carrier has made a "damage" or "shortage" notation on Buyer's copy and the carrier's copy of the freight bill. (c) If SINO BIOLOGICAL furnishes technical or other advice to Buyer, whether or not at Buyer’s request, with respect to processing, further manufacture, other use or resale of the goods, SINO BIOLOGICAL shall not be liable for, and Buyer assumes all risk of, such advice and the results thereof.

3. INVOICING, PAYMENT AND PRICING ADJUSTMENTS. Upon or after delivery of the Products, SINO BIOLOGICAL shall invoice Buyer for the amount and type of Products delivered. Each invoice issued by SINO BIOLOGICAL hereunder shall reference the Purchase Order number, and shall specify: (a) the Prices in respect of the Products delivered; (b) the quantity and type of Products delivered; (c) the amount of tax due (if any) in respect of the Products delivered; and (d) any other amounts reimbursable to SINO BIOLOGICAL (if any) pursuant to this Agreement. Unless otherwise specified, payment terms are net thirty (30) days from the date of invoice receipt by the customer, freight on board (F.O.B.) shipping. SINO BIOLOGICAL is not liable for any loss or damage during the course of shipping and all responsibility for loss or damage passes to the Buyer upon Buyer’s carrier pickup of goods. Title to the Products will pass to Buyer upon SINO BIOLOGICAL’s delivery of the products to the carrier, subject to the limitations provided in these terms and conditions. The price and terms of payment herein specified may be revised at any time by written notice to Buyer. Buyer may pay by check, credit card, money order or wire transfer at Buyer’s discretion. Buyer shall be responsible for paying any bank fees in the issuance of any payment, while SINO BIOLOGICAL shall be responsible for paying any bank fees associated with receipt of any payment including intermediary bank fees.

4. SHIPPING AND TAXES DUE. Freight, shipping and handling charges are prepaid and added to the invoice. Any increase in freight, shipping or handling rates paid by SINO BIOLOGICAL on shipments covered by this contract and hereafter becoming effective and any tax or governmental charge or increase in same (excluding any franchise or income tax or other tax or charge based on income) (a) increasing the cost to SINO BIOLOGICAL of producing, selling or delivering the goods or of procuring materials used therein or (b) payable by SINO BIOLOGICAL because of the production, sale or delivery of the goods, such as Sales Tax, Use Tax, Retailer’s Occupational Tax, Gross Receipts Tax, Value Added Tax, may, at SINO BIOLOGICAL’s option, be added to the price herein specified. Buyer is solely responsible for any applicable sales, use, or similar tax and shall indemnify SINO BIOLOGICAL for any such tax if not properly paid by Buyer.

5. FORCE MAJEURE AND DELIVERY DELAYS. Deliveries may be suspended by either party in the event of: Act of God, war, riot, fire, explosion, accident, flood, sabotage, labor dispute; lack of adequate fuel, power, raw materials, labor, containers or transportation facilities; compliance with governmental requests, laws, regulations, orders or actions; breakage or failure of machinery or apparatus or any other event, whether or not of the class or kind enumerated herein, beyond the reasonable of such party; which event makes impracticable the manufacture, transportation, acceptance or use of a shipment of the goods or of a material upon which the manufacture of the goods is dependent. Deliveries suspended or not made by reason of this section shall be cancelled without liability, but this contract shall otherwise remain unaffected.

6. BUYER’S CREDIT. SINO BIOLOGICAL reserves the right, among other remedies, either to terminate this contract or to suspend further deliveries under it in the event Buyer fails to pay for any one shipment when payment for said shipment becomes due. Should Buyer’s financial responsibility become unsatisfactory to SINO BIOLOGICAL, cash payment or security satisfactory to SINO BIOLOGICAL may be required by SINO BIOLOGICAL for future deliveries and for the goods theretofore delivered.
Buyer shall be liable to SINO BIOLOGICAL for (a) interest at a rate equal to the highest applicable lawful interest rate on invoiced amounts not paid within thirty (30) days after the invoice date, with interest to accrue monthly until full payment is received and (b) all costs and fees, including attorneys’ fees, which SINO BIOLOGICAL may incur in any action to collect said overdue invoice amounts.

7. PROHIBITION OF TRANSFER. In the absence of an express written Agreement to the contrary, all Products are sold by SINO BIOLOGICAL for the exclusive use of the Buyer and shall not to be resold, transferred, or conveyed, in whole or in part, to any other party.

8. INDEMNIFICATION BY BUYER. Buyer shall hold harmless, indemnify and defend (at SINO BIOLOGICAL’s request) SINO BIOLOGICAL for any and all damages, liabilities, costs and expenses (including any costs of litigation, including but not limited to, attorneys’ fees and any other costs and expenses), fines, or losses in connection with any threatened or actual claims, actions, demands, investigations, or suits, including, but not limited to, claims or suits by third parties, arising out of any of the following: (a) Buyer’s negligent or willful acts, or those of its employees and/or agents, (b) such Products being repaired or altered by persons other than SINO BIOLOGICAL (unless expressly authorized in writing by SINO BIOLOGICAL), (c) in the event that Buyer modifies, or combines with any non-SINO BIOLOGICAL goods or products, any of the Products purchased from SINO BIOLOGICAL, and such modification or combination results in the actual or alleged infringement of any intellectual property rights of any third party, (d) from Products produced by SINO BIOLOGICAL according to Buyer’s specifications, (e) any violations of export control laws by Buyer, or (f) Buyer’s breach of any provision in these Terms.

9. ANTI-BRIBERY AND ANTI-CORRUPTION. Neither Party, directly or indirectly, intends to use the proceeds of any transaction covered under this Agreement for any purpose which would breach any applicable anti-bribery or anti-corruption legislation in which either Party or its Affiliates conduct business.

10. JURISDICTION. The validity, interpretation and performance of this contract and any dispute connected herewith shall be governed and construed in accordance with the laws of the People’s Republic of China. All disputes in connection with this Contract or the execution thereof shall be settled through amicable consultation between both Parties. In case no settlement can be reached through consultation, the dispute should be submitted for arbitration to China International Economic and Trade Arbitration Commission, under Chinese law and international practice in accordance with the then effective Arbitration Rules of the said Commission. The arbitration place should be Beijing. The arbitral award rendered by the said Commission shall be final and binding upon both parties.

11. SEVERABILITY. If any term, condition or provision of this contract or the application thereof is judicially determined to be invalid or unenforceable, the remainder of this contract and the application thereof shall not be affected thereby, and this contract shall otherwise remain in full force and effect.

12. ENTIRE CONTRACT. These terms and conditions constitute the full understanding of the parties, a complete allocation of risks between them and a complete and exclusive statement of the terms and conditions of the Buyer accepting an invoice. Except as provided in Section 6 hereof, no conditions, usage of trade, course of dealing or performance, understanding or Agreement purporting to modify, vary, explain or supplement the terms or conditions of this contract shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification shall be effected by the acknowledgment or acceptance of purchase order or shipping instruction forms containing terms or conditions at variance with or in addition to those set forth herein. No waiver by either SINO BIOLOGICAL or Buyer with respect to any breach or default or of any right or remedy and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver be expressed in writing signed by the party to be bound.