

Test report no.: 158286426a1 002

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Client: CANICA BUILDING MATERIALS LTD
Contact information: 23 Luk Hop Street, 21/F, #2101, Max Trade Centre, San Po Kong, Kowloon, Hong Kong
Contact name: May
Phone number: +852-23268931

Manufacturer's name: Shantou Hua Hui Timber Co Ltd
Manufacturer ID: ENG flooring
Product name: Canica Engineered Wood Flooring
Product category: Indoor wood flooring
Product commercial part no.: ENG OAK FLR
Product item no.: ENG OAK 152
Date manufactured: 2024-03-05
Date collected: 2024-03-05
Date shipped: 2024-03-05
Date received: 2024-03-07
Sample no.: A003670440
Condition at delivery: Test item complete and undamaged
Place of testing: Chemical laboratory Hong Kong

Conditioning period start & duration: 2024-03-14, 10 days
Test period start & duration: 2024-04-05, 96 hours

Test specification: CDPH/ EHLB/ Standard Method Version 1.2 – California Specification 01350
Test result: PASS

Other information:
Sample package: Sample packed with/ in Carton box, Aluminium, Foam
Sample preparation: 8 pieces of specimen of 1.10 m by 0.153 m were tested with back and sides sealed by aluminum foil.

The report 158286426a1 002 supersedes report 158286426a1 001.

For and on behalf of
TÜV Rheinland (Hong Kong) Ltd.



2024-04-11
Date
Gary Choi / Project Executive
Name/ Position

Sample information is provided by customer. Test result is drawn according to the kind and extent of tests performed. This test report relates to the above mentioned test sample. Without permission of the test center this test report is not permitted to be duplicated in extracts. This test report does not entitle to carry any safety mark on this or similar products. "Decision Rule" document announced in our website (<https://www.tuv.com/landingpage/en/qm-gcn/>) describes the statement of conformity and its rule of enforcement for test results are applicable throughout this test report.

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Material list

Item:

Material No.	Material	Color	Location
M001	Whole product	Brown	Refer to Photo

Test method

CDPH/ EHLB/ Standard Method Version 1.2 – California Specification 01350:
Standard Method For the Testing and Evaluation of Volatile Organic Chemical Emissions From Indoor Sources Using Environmental Chambers

ISO 16000-3:2011	Indoor air – Part 3: Determination of formaldehyde and other carbonyl compounds in indoor air and test chamber air – Active sampling method
ISO 16000-6:2011	Indoor air – Part 6: Determination of volatile organic compounds in indoor and test chamber air by active sampling on Tenax TA [®] sorbent, thermal desorption and gas chromatography using MS/FID
ISO 16000-9:2006	Indoor air – Part 9: Determination of the emission of volatile organic compounds from building products and furnishing – Emission test chamber method
ASTM D 5116-10	Standard Guide for Small-Scale Environmental Chamber Determinations of Organic Emissions From Indoor Materials/ Products

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Conditions

The sample was conditioned for 10 days in the same test chamber where the analysis was performed during 96h. The same conditions during conditioning and test were kept and are described in table 1.

Table 1. Chamber conditions during the 10 days conditioning and 96-h test period

Parameter	Symbol	Units	Value
Product exposed area	A_c	m ²	0.34
Chamber Volume	V_c	m ³	1.00
Loading factor	L_c	m ² /m ³	0.34
Air change rate	a_c	h ⁻¹	1.00
Inlet flow rate	Q	m ³ /h	1.00
Area specific flow rate	q_A	m/h	2.97
Temperature	T	°C	23 ± 1
Relative humidity	RH	%	50 ± 5

VOC and aldehydes active sampling were performed in duplicate by pumping air through respective sorbent just before loading the chamber, then at 24h, 48h and 96 h after initiating the chamber test (without counting the previous 10 days conditioning). Sampling conditions are represented in table 2.

Table 2. Sampling conditions

Sampling conditions	VOC	Aldehydes (C ₁ -C ₂)
Number of sampled tubes	2	2
Sorbent type	Tenax TA	DNPH
Sampling duration	54 min	100 min
Sampling air flow rate	75 mL/min	0.8 L/min
Sampled air volume	4.0 L	80L

The chemical analysis was performed following test methods ISO 16000-3 and ISO 16000-6 for the analysis of respectively aldehydes in DNPH cartridges by HPLC-UV and VOCs/TVOCs in Tenax tubes by TD-GC-MS.

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Test Result

Table 3. 24-h and 48-h chamber concentrations and emission factors

Parameter	CAS no.	Chamber concentration ($\mu\text{g}/\text{m}^3$)		Emission factor *1 ($\mu\text{g}/\text{m}^2\text{h}$)	
		24h	48h	24h	48h
TVOC	--	14	10	41.59	29.71
Formaldehyde	50-00-00	n.d.	n.d.	--	--

Table 4. 96-h chamber concentrations and emission factors of all target VOCs and most abundant – Only detected compounds have been listed

Compound Name	CAS No.	Chamber concentration ($\mu\text{g}/\text{m}^3$)	Emission Factor *1 ($\mu\text{g}/\text{m}^2\text{h}$)	Remark *2
Ethane, methoxy-	540-67-0	7	20.80	--
TVOC	--	7	20.80	--
Formaldehyde	50-00-0	n.d.	--	CREL / C / TAC
Acetaldehyde	75-07-0	n.d.	--	CREL / C / TAC

Table 5. Estimated concentrations for the different scenarios and evaluation of the requirements

Compound Name	CAS No.	Allowable concentration *3 ($\mu\text{g}/\text{m}^3$)	Standard class room estimated concentration *1 ($\mu\text{g}/\text{m}^3$)	Private office estimated concentration *1 ($\mu\text{g}/\text{m}^3$)	Pass/Fail
Ethane, methoxy-	540-67-0	--	9.71	11.15	--
TVOC	--	--	9.71	11.15	--
Formaldehyde	50-00-0	9	--	--	Pass
Acetaldehyde	75-07-0	70	--	--	Pass

Abbreviation:

VOC = Volatile Organic Compound

TVOC = Total Volatile Organic Compound

C = chamber concentration, $\mu\text{g}/\text{m}^3$ A_c = exposed projected surface area, m^2 V_c = chamber volume L_c = Loading factorQ = inlet flow rate, m^3/h q_A = area specific flow rate, m/h ($\text{m}^3/\text{m}^2\text{h}$)n.d. = not detected (Detection limit for formaldehyde, acetaldehyde: $5 \mu\text{g}/\text{m}^3$, detection limit for other VOC: $1 \mu\text{g}/\text{m}^3$) m^2 = square meter m^3 = cubic meter m^2/m^3 = square meter per cubic meter h^{-1} = per hour m^3/h = cubic meter per hour

L = liter

 ml/min = milliliter per minute

L/min = Liter per minute

 $\mu\text{g}/\text{m}^3$ = micrograms per cubic meter $\mu\text{g}/\text{m}^2\text{h}$ = micrograms per square meter per hour

Remark:
***1 Data Analysis Procedure**
Emission Factors

Emission factors were calculated from chamber concentrations then by using the emission factors the estimated building concentrations were calculated.

The emission factor, EF_{Ai} ($\mu\text{g}/\text{m}^2\text{h}$), at a given time, t (h), after placing a test specimen in the chamber is calculated using Equation 1:

$$EF_{Ai} = (Q (C_{it} - C_{i0})) / A_C \quad \text{Equation 1}$$

The inlet flow rate, Q (m^3/h), is the measured flow rate of air into the chamber. The chamber concentration, C_{it} ($\mu\text{g}/\text{m}^3$), is the concentration of a target VOC_i, formaldehyde and other carbonyl compounds measured at time t . The chamber background concentration, C_{i0} ($\mu\text{g}/\text{m}^3$), is the corresponding concentration measured with the chamber operating without a test specimen or with an appropriate substrate. The exposed projected surface area of the test specimen in the chamber, A_C (m^2), is determined from the measurements made at the time of specimen preparation.

Volume, length, mass or unit specific emission rates or emission factors, EF_V , EF_L or EF_M , EF_P ($\mu\text{g}/\text{m}^3\text{h}$, $\mu\text{g}/\text{mh}$, $\mu\text{g}/\text{kg}$ or $\mu\text{g}/\text{h}$ per unit), can be calculated using Equation 1 by substituting the appropriate parameter used to quantify the material specimen (i.e., volume in cubic meters, length in meters, mass in kilograms or number of products tested).

Estimated Building Concentrations

Building concentrations can be calculated on a case-by-case basis using input parameters for the amount of installed product, the size of the space and the air change rate (or air flow rate) that are specific to the architectural project under consideration. In order to evaluate and compare products for use in a wide range of building products, concentrations also can be calculated for selected building scenarios. Building concentrations are estimated based on the measured VOC emission factors, the amount of material to be installed in the building and flow rate of outside air used for ventilation. Steady state conditions with respect to emission rates and building ventilation shall be assumed in making the prediction. Additional assumptions are zero outdoor concentrations, perfect mixing within the building and no net losses of VOC from air due to other effects such as irreversible or net sorption on surfaces (i.e., net sink effects) and chemical reactions. The projected surface area of installed flooring and the building parameters to be used in the calculation of estimated VOC concentrations are established for a school classroom and an office have been described in table 6.

Table 6. The projected surface area of installed flooring and the building parameters to be used in the calculation of estimated VOC concentrations

Scenario	Outdoor ventilation air (m^3/h)	Exposed flooring surface area (m^2)	Area specific air flow rate (m/h)
Standard School Classroom	191	89.2	2.14
Private Office	20.7	11.1	1.86

The estimated building concentration, C_{Bi} ($\mu\text{g}/\text{m}^3$), of a target VOC_i is calculated using equation 2a or 2b. For products that have the area specific emission factor, EF_A ($\mu\text{g}/\text{m}^2\text{h}$), Equation 2a is used:

$$C_{Bi} = (EF_{Ai} \times A_B) / Q_B = EF_{Ai} / (Q_B / A_B) = EF_{Ai} / q_A \quad \text{Equation 2a}$$

The area specific emission rate EF_A at 336 hours (14 days) total exposure time is divided by the area specific flow rate, q_A (m/h). The area specific flow rate, q_A , is calculated as the ratio of the flow rate of outside ventilation air, Q_B (m^3/h), to the exposed surface area of the installed material in the building, A_B (m^2).

For products that only have the unit specific emission factor, EF_P ($\mu\text{g}/\text{h}$ per unit), Equation 2b is used:

$$C_{Bi} = (EF_{Pi} \times N_B) / Q_B = EF_{Pi} / (Q_B / N_B) = EF_{Pi} / q_P \quad \text{Equation 2b}$$

The unit specific emission rate EF_P at 336 hours (14 days) total exposure time is divided by the unit specific flow rate, q_P (m^3/h per unit). The unit specific flow rate, q_P , is calculated as the ratio of the flow rate of outside ventilation air, Q_B (m^3/h), to the number of the installed products in the building, N_B .

In some cases, it may be necessary to calculate the results using the volume, length or mass of a product to be installed in a building and the corresponding volume, length or mass specific emission rate.

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- *2 CREL – Chronic Reference Exposure Levels: this substance has a CREL value.
Refer to <http://www.oehha.ca.gov/air/allrels.html>.
- C – Safe Drinking Water and Toxic Enforcement Act of 1986: classified as known or probable human carcinogens and reproductive/ developmental toxins.
Refer to http://www.oehha.ca.gov/prop65/prop65_list/newlist.html.
- TAC – Toxic Air Contaminants: classified as Hazardous Air Pollutants plus additional compounds.
Refer to <https://ww2.arb.ca.gov/resources/documents/carb-identified-toxic-air-contaminants>.
- *3 Refer to <http://www.oehha.ca.gov/air/allrels.html>. All maximum allowable concentrations are one-half the corresponding CREL adopted by Cal/EPA OEHHA with the exception of formaldehyde.

Conclusion

The indoor air quality emission criteria for the Floorscore / California Specification 01350 for the Canica Engineered Wood Flooring (Item no.: ENG OAK 152) have been met.

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Chain of Custody

 TÜV Rheinland Hong Kong Ltd
 Member of TÜV Rheinland Group in Greater China
 香港德國萊茵技術服務顧問股份有限公司
 德國萊茵集團大中華區成員


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VOC EMISSION TESTING APPLICATION FORM AND CHAIN OF CUSTODY
 揮發性及有機化合物釋放測試申請表

 Please fill out one form per sample and return it to us. Thanks.
 請為每份測試樣品填寫一份申請表，然後將填寫妥的申請表回傳到我司。謝謝。

Internal use only / TÜV 萊茵內部使用
Order No: P01392842 / 158286426
Reviewed by (date):

Please ship sample to/ 請把樣品寄送到:

 3/F., Fou Wah Industrial Building, 10-16 Pun Shan Street, Tsuen Wan, Hong Kong (Sample Reception)
 香港荃灣半山街 10-16 號富華工業大廈 3 樓 (收樣部)

Please fill in by computer - send with sample, and per email/ 請使用電腦填寫 - 並連同樣品 及 透過電郵交回

Client/ 客戶	Report to be sent to/ 報告送到	Invoice to be sent to/ 發票送到	Copy of report to be sent to/ 報告副本送到
Company/ 公司	Canica Building Materials Ltd	Same as on the left	Same as on the left
Contact person/ 聯絡人	May		
E-mail/ 電子郵件	may@canica.com.hk		
Address/ 地址	23 Luk Hop Street, 21/F, #2101, Max Trade Centre, San Po Kong, Kowloon, Hong Kong		
Postcode/town/ 郵編/ 鎮	000000		
Country/ 國家	Hong Kong, China		
Telephone no./ 電話號碼	+852-23268931		
Fax no./ 傳真號碼	+852-23268923		
Your reference/ 您的參考	If there is any question, please call my HK mobile at 98198046 (May). Or your Guangzhou TUV office Mr Benny He at +86 18665618989.		

Test Method(s) ordered:	
1. AgBB/DIBt (full test, incl. aldehydes) <input type="checkbox"/>	8. LGA Tested Safety & Contamination:
Without aldehydes test after 28 days <input type="checkbox"/>	VOC/ 揮發性及有機化合物 <input type="checkbox"/>
AgBB/DIBt (only 7 days) <input type="checkbox"/>	Formaldehyde/ 甲醛 <input type="checkbox"/>
Without aldehydes after 7 days <input type="checkbox"/>	Odour/ 氣味 <input type="checkbox"/>
2. French mandatory VOC label (including 4 regulated CMR) <input type="checkbox"/>	9. Formaldehyde/ 甲醛:
3. CDPH Section 01350 <input type="checkbox"/>	EN 717-1 <input type="checkbox"/>
4. FloorScore <input checked="" type="checkbox"/>	ISO 16000-3 (DNPH) <input type="checkbox"/>
5. ANSI/BIFMA M7.1-2011 <input type="checkbox"/>	ASTM D6007 <input type="checkbox"/>
6. Indoor Advantage <input type="checkbox"/>	10. VOC emission/ 揮發性及有機化合物釋放
7. Indoor Advantage GOLD <input type="checkbox"/>	ISO 16000-6,9 <input type="checkbox"/>
	ASTM 5116 <input type="checkbox"/>
Further information – Please fill in only if necessary	
Type of Chamber: Mid-scale <input type="checkbox"/> Small-scale <input type="checkbox"/>	Length of testing: 24h <input type="checkbox"/> 72h <input type="checkbox"/> 120h <input checked="" type="checkbox"/> 336h <input type="checkbox"/> Other: _____
Reporting of results: Emission Factors only <input type="checkbox"/> Room concentrations modeling <input type="checkbox"/>	
Other test/information:	
Report format:	PDF <input type="checkbox"/> Printed <input type="checkbox"/> Printed & PDF <input checked="" type="checkbox"/>

 TÜV Rheinland Hong Kong Ltd
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Chain of Custody

TUV Rheinland Hong Kong Ltd
Member of TÜV Rheinland Group in Greater China
香港德國萊茵技術監證顧問股份有限公司
德國萊茵集團大中華區成員



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VOC EMISSION TESTING APPLICATION FORM AND CHAIN OF CUSTODY
揮發性及有機化合物釋放測試申請表

Please fill out one form per sample and return it to us. Thanks.
請為每份測試樣辦填寫一份申請表,然後將填妥的申請表回傳到我司。謝謝。

Internal use only / TÜV 萊茵內部使用
Order No: P01392842 / 158286426
Reviewed by (date):

Product Commercial Name:	Canica Engineered Wood Flooring	Product Commercial Part No.:	ENG OAK FLR
Product Dimensions: (height x width x thickness)	15mm (Thick) x 152mm (Width) x random length	Product item No.:	ENG OAK 152
Manufacturer Sample Tracking ID:	ENG flooring	Date Manufactured:	2024-03-05
Product Category and Use:	Indoor wood flooring	Sample Construction Material:	Oak and Plywood
Plant Name & Location:	Shantou Hua Hui Timber Co Ltd, Shantou, Guangdong Province, China	Collection Location in Plant:	Shantou Hua Hui Timber Co Ltd, Shantou, Guangdong Province, China
Date and Time of collection:	2024-03-05, AM11.00	Sample Collected by:	Ms Lin
Storage of Sample after Sampling:	Immediately pack and courier out.	Packing Material:	Each piece wrapped with aluminum foil and carton boxed.
Packed and Shipped by:	Shantou Hua Hui Timber Co Ltd, Shantou, Guangdong Province, China	Shipping Date:	2024-03-05
Carrier:	SF Express	Airbill Number:	SF1458749080461

FOR LABORATORY USE ONLY:			
Received by:	Garry Choi	Received date:	07 Mar 2024
Conditions of package:	FINE	Conditions of Sample:	FINE
Received by:	Garry Choi	Signature:	<i>Garry Choi</i>
Company:	TÜV Rheinland Hong Kong Ltd.	Laboratory:	Chemical Laboratory Hong Kong
Sample Number:	A003670440	Report Number:	158286426a1 001



德國萊茵關注環境並且施行紙張節省方案,其中一項努力是鼓勵我們客戶接受電子版報告並且即時起只會應客戶要求而須發紙質報告。任何疑問請隨時聯繫我們,謹對您的大力支持表示敬意!
TÜV Rheinland cares about our environment and implements a paper saving strategy. As part of it, we encourage our customers to accept electronic versions of reports and will, from now on, only send paper versions upon request. Please contact us for any concerns. We appreciate your support

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Sample photo(s)



- END -

General Terms and Conditions of Business of TÜV Rheinland in Greater China

1. Scope

- 1.1 These General Terms and Conditions of Business of TÜV Rheinland in Greater China ("GTBC") is made between the client and one or more member entities of TÜV Rheinland in Greater China as applicable as well as "TÜV Rheinland" in the Greater China hereof refers to Mainland China, Hong Kong and Taiwan. The client hereby includes:
 - (a) a natural person capable to form legally binding contracts under the applicable laws who concludes the contract not for the purpose of a daily use;
 - (b) the incorporated or unincorporated, validly existing and capable to form legally binding contracts under the applicable law.
- 1.2 The following terms and conditions apply to agreed services including consultancy services, information, deliveries and similar services as well as ancillary services and other secondary obligations provided within the scope of contract performance.
- 1.3 Any standard terms and conditions of the client of any nature shall not apply and shall hereby be expressly excluded. No standard terms and conditions and other shall be a part of the contract even if TÜV Rheinland does not explicitly object to them.
- 1.4 In the context of an ongoing business relationship with the client, this GTBC shall also apply to future contracts with the client without TÜV Rheinland having to refer to them separately in each individual case.

2. Quotations

- Unless otherwise agreed, all quotations submitted by TÜV Rheinland can be changed by TÜV Rheinland without notice prior to its acceptance and confirmation by the other party.

3. Coming into effect and duration of contracts

- 3.1 The contract shall come into effect for the agreed terms upon the quotation letter of TÜV Rheinland or a separate contractual document being signed by both contracting parties, or upon the works requested by the client being carried out by TÜV Rheinland. If the client instructs TÜV Rheinland without receiving a quotation from TÜV Rheinland (quotation), TÜV Rheinland is, in its sole discretion, entitled to accept the order by giving written notice of such acceptance (including notice sent via electronic means) or by performing the requested services.
- 3.2 The contract term starts upon the coming into effect of the contract in accordance with article 3.1 and shall continue for the term agreed in the contract.
- 3.3 If the contract provides for an extension of the contract term, the writing term will be extended by the term provided for in the contract until terminated in writing by either party with a three-month notice prior to the end of the contractual term.

4. Scope of services

- 4.1 The scope and type of the services to be provided by TÜV Rheinland shall be specified in the contractually agreed service scope of TÜV Rheinland by both parties. If no such separate service scope of TÜV Rheinland exists, then the written confirmation of order by TÜV Rheinland shall be decisive for the scope of the services. In addition, the client shall be bound by the scope of the service description (e.g. checking the correctness and functionality of parts, products, processes, installations, organizations not listed in the service description, as well as the intended use and application of such parts, products, processes, installations, organizations) and responsibility is assumed for the design, selection of materials, construction or intended use of an examined part, product, process or plant, unless this is expressly stated in the order.
- 4.2 The agreed services shall be performed in compliance with the regulations in force at the time the contract is entered into.
- 4.3 TÜV Rheinland is entitled to determine, in its sole discretion, the method and nature of the assessment unless otherwise agreed in writing or if mandatory provisions require a specific procedure to be followed.
- 4.4 On execution of the work there shall be no simultaneous assumption of any guarantee of the correctness (proper quality) and working order of either tested or examined parts nor of the installation as a whole and/or upstream and/or downstream processes, organizations, use and application in accordance with regulations, nor of the systems on which the installation is based. In particular, TÜV Rheinland shall assume no responsibility for the construction, selection of materials and assembly of installations examined. For their use and application in accordance with regulations, unless these questions are expressly covered by the contract.
- 4.5 In the case of inspection work, TÜV Rheinland shall not be responsible for the accuracy or checking of the safety programmes or safety regulations on which the inspections are based, unless otherwise expressly agreed in writing.
- 4.6 If mandatory legal regulations or standards or official requirements for the agreed service scope change after conclusion of the contract, with a written notice to the client, TÜV Rheinland shall be entitled to additional remuneration for resulting additional expenses.
- 4.7 The services to be provided by TÜV Rheinland under the contract are agreed exclusively with the client. A contract of third parties with services of TÜV Rheinland, as well as making available of and justifying information in the work results (test reports, test results, expert reports, etc.) is not a part of the agreed services. This also applies to third parties on work results - in full or in extracts - to third parties in accordance with clause 11.4.
- 4.8 The client understands and agrees that in order to perform the contract with TÜV Rheinland, the client may need to sign contractual agreements with more than one party and establish legal relationships with that/those third party(ies) according to such contracts/agreements. TÜV Rheinland will merely bear the corresponding legal liability according to this contract and not be liable for any other obligations arising from the service process. If the relevant services are not directly provided by TÜV Rheinland (including but not limited to any testing and certification services to be provided by third parties and certification bodies, agency services, etc.), TÜV Rheinland shall not be liable for such relevant services. In order to achieve the purpose of the contract, the client hereby agrees that TÜV Rheinland can also sub-entrust to a third party to provide agency services, but TÜV Rheinland shall not bear any responsibility or risk for any services to be provided by any third parties (including but not limited to the testing and/or certification services to be entrusted and/or applied for by our company on behalf of the client to other third testing and/or certification bodies, agency services, etc.) unless otherwise expressly agreed in writing. Besides, the client shall be liable in accordance with the relevant laws and regulations and/or the terms under the contract. If the client is required to conduct any annual review/inspection of the relevant testing and/or certification results, the client shall bear the additional fees in accordance with the relevant laws and regulations or the testing and certification rules, such fees are not within the scope of the contract price, the client shall merely perform the obligation of such annual review/inspection and pay the relevant fees. If the client fails to perform such obligations of the annual review/inspection or fees payment, it may lead to adverse consequences such as failure/renunciation/invalidity of testing and/or certification results, which shall not be borne by TÜV Rheinland.
- 4.9 For the service contract agreed in the contract, if the client requires TÜV Rheinland to deliver relevant test samples, data, etc. to any overseas location other than the place or place designated by the client, TÜV Rheinland shall not take any responsibilities or risks for any problems during such delivery and the transportation process (including but not limited to loss or damages of the samples and/or the materials, etc.). Besides, the relevant freight fees shall be borne by the client.

5. Performance periods/dates

- 5.1 The contractually agreed periods/dates of performance are based on estimates of the work involved which are prepared in line with the details provided by the client. They shall only be binding if being confirmed as binding by TÜV Rheinland in writing.
- 5.2 If landing periods of performance have been agreed, TÜV Rheinland shall not commence until the client has submitted all required documents to TÜV Rheinland.
- 5.3 Articles 5.1 and 5.2 also apply, even without express approval by the client, to all extensions of agreed periods/dates of performance not caused by TÜV Rheinland.
- 5.4 TÜV Rheinland is not responsible for a delay in performance, in particular if the client has not fulfilled his duties to cooperate in accordance with clause 6.1 or if he has not done so in time and, in particular, has not provided TÜV Rheinland with documents and information required for the performance of the service as specified in the contract.
- 5.5 If the performance of TÜV Rheinland is delayed due to unforeseeable circumstances such as force majeure, strikes, business disruptions, government or other public or transport obstacles, etc., TÜV Rheinland is entitled to postpone performance for a reasonable period of time which corresponds at least to the duration of the hindrance plus any time period which may be required to resume performance.
- 5.6 If the client is obliged to comply with legal, officially prescribed and/or by the accreditor prescribed deadlines, it is the client's responsibility to agree on performance dates with TÜV Rheinland, which enable the client to comply with the deadlines. In the event of such deadlines, TÜV Rheinland assumes no responsibility in this respect unless TÜV Rheinland expressly agreed in writing specifically stating that ensuring the deadlines is the contractual obligation of TÜV Rheinland.

6. The client's obligation to cooperate

- 6.1 The client shall guarantee that all cooperation required on its part, its agents or third parties shall be provided to TÜV Rheinland in a timely manner in this case. TÜV Rheinland shall be responsible for design documents, supplies, auxiliary staff, etc. necessary for performance of the services shall be made available free of charge by the client. Moreover, collaborative action of the client must be undertaken in accordance with legal regulations and safety regulations and accident prevention instructions. And the client represents and warrants that:
 - a) it has required statutory qualifications;
 - b) the product, service or management system to be certified complies with applicable laws and regulations; and
 - c) it doesn't have any illegal and dishonest behaviours or is not included in the list of Enterprises with Serious Illegal and Dishonest Acts of Administration of the People's Republic of China. If the client breaches the aforesaid representations and warranties, TÜV Rheinland is entitled to i) immediately terminate the contractor/order prior notice; and ii) withdraw the issued testing/report/certificates if any.
- 6.3 The client shall bear any additional cost incurred on account of work having to be redone or being delayed as a result of late, incomplete or incorrect information provided by or lack of proper cooperation from the client. Even when there is a fixed or maximum price is agreed, TÜV Rheinland shall be entitled to charge extra fees for such additional expense.

7. Prices

- 7.1 If the scope of performance is not laid down in writing when the order is placed, invoicing shall be based on costs actually incurred. If no price is agreed in writing, invoicing shall be based in accordance with the price list of TÜV Rheinland valid at the time of performance.
- 7.2 Unless otherwise agreed, work shall be invoiced according to the new price list of TÜV Rheinland.
- 7.3 If the execution of an order extends over more than one month and the value of the contract or the agreed fixed price exceeds €2,500.00 or equivalent value in local currency, TÜV Rheinland may demand payments on account or in instalments.

8. Payment terms

- 8.1 All invoice amounts shall be due for payment within 30 days of the invoice date without deduction on receipt of the invoice. No discount is to be granted.
- 8.2 Payments shall be made to the bank account of TÜV Rheinland as indicated on the invoice, stating the invoice and client numbers.
- 8.3 In the case of advance payment, TÜV Rheinland shall be entitled to claim default interest at the applicable short term loan interest rate publicly announced by a reputable commercial bank in the country where TÜV Rheinland is located. At the same time, TÜV Rheinland reserves the right to claim damages.
- 8.4 Should the client default in payment of the invoice despite being granted a reasonable grace period, TÜV Rheinland shall be entitled to cancel the contract, withdraw the certificate, claim damages for non-performance and refuse to perform further work under the contract. The provisions set forth in article 8.4 shall also apply in cases involving returned cheques, cessation of payment, commencement of insolvency proceedings against the client's assets or cases in which the commencement of insolvency proceedings has been dismissed due to lack of assets.
- 8.5 Objections to the invoices of TÜV Rheinland shall be submitted in writing within two weeks of receipt of the invoice.
- 8.6 TÜV Rheinland shall be entitled to demand appropriate advance payments.
- 8.7 TÜV Rheinland shall be entitled to raise its fees at the beginning of a month if overheads and/or purchase costs have increased in this case. TÜV Rheinland shall be entitled to the client in writing of the rise in fees. This notification shall be issued one month prior to the date on which the rise in fees shall come into effect (period of notice of changes in fees). If the rise in fees remains undisputed, work shall be invoiced according to the new price list of TÜV Rheinland. If the rise in fees exceeds 5% per contractual year, the client shall be entitled to terminate the contract by the end of the period of notice of changes in fees. If the contract is not terminated, the changed fees shall be deemed to have been agreed upon by the time of the expiry of the notice period.
- 8.8 Only legally established and undisputed claims may be offset against claims by TÜV Rheinland.

- 8.10 TÜV Rheinland shall have the right at all times to setoff any amount due or payable by the client, including but not limited to, any fees, use, or process the personal data collected and processed by itself and transferred to TÜV Rheinland. For certain services, we may also process sensitive personal data. TÜV Rheinland will use and process the data in accordance with the relevant legal provisions. If any personal data shall be disclosed or transferred to any third party or any overseas party outside of the district in which the personal data was collected, the client also confirms that it has obtained the prior consent of the data subject; TÜV Rheinland will carry out cross-border data transmission and/or process the data in compliance with the privacy and personal data security related laws and regulations in China and the local country. TÜV Rheinland will take measures to avoid any leakage, abuse, manipulation, damage or unauthorized access of personal data. The client shall be notified immediately as soon as a corresponding reason for deletion arises. Data subjects may exercise the following rights: right of information, right of decision, right of rectification, right of deletion, right of processing limitation, right of objection, right of data transferability, in addition, persons concerned by the data processing have the right to object to the processing of their personal data, as well as the right to file a complaint with the competent data protection supervisory authority. For further details on the processing of personal data by TÜV Rheinland as the person responsible or contract processor, please refer to the respective data protection information. You can contact the Group Data Protection Officer of TÜV Rheinland by e-mail at dataprotection@tuv.com or by post at the registered address: TÜV Rheinland AG, Group Data Protection Officer, Am Grauen Stein, 51105 Cologne, Germany.

9. Acceptance of work

- 9.1 Any part of the work result ordered which is complete in itself may be presented by TÜV Rheinland for acceptance as an instalment. The client shall be obliged to accept it immediately.
- 9.2 If acceptance is required or contractually agreed in an individual case, this shall be deemed to have taken place two (2) weeks after completion and handover of the work, unless the client releases acceptance within this period stating at least one fundamental breach of contract by TÜV Rheinland.
- 9.3 The client is not entitled to refuse acceptance due to insignificant breach of contract by TÜV Rheinland.
- 9.4 If acceptance is excluded according to the nature of the work performance of TÜV Rheinland, the completion of the work shall take its place.
- 9.5 During the Follow-Audit stage, if the client was unable to make use of the time windows provided for within the scope of a certification procedure for auditing performance by TÜV Rheinland and the certificates in therefore to be withheld or issued with a reservation (e.g. audits), or if the client cancels or postpones a confirmed audit date within two (2) weeks before the agreed date, TÜV Rheinland is entitled to immediately charge a lump-sum compensation of 10% of the order amount for the time windows not used. The client reserves the right to prove that the TÜV Rheinland has incurred no damage whatsoever or only a considerably lower damage than the above lump sum.
- 9.6 Insofar as the client has undertaken the contract to accept services, TÜV Rheinland shall also be entitled to charge lump-sum damages in the amount of 10% of the order amount as compensation for expenses if the service is not called within one year after the order has been placed. The client reserves the right to prove that the TÜV Rheinland has incurred no damage whatsoever or only a considerably lower damage than the above mentioned lump sum.

10. Confidentiality

- 10.1 For the purpose of these terms and conditions, "confidential information" means all know-how, trade secrets, documents, images, drawings, expertise, information, data, test results, reports, samples, project documents, pricing information, performance data, customer information, and marketing techniques and materials, tangible or intangible, that are supplied, transferred or otherwise disclosed by one Party (the "disclosing party") to the other Party (the "receiving party"), in writing or otherwise, and which the disclosing party understands information is expressly not the data and know-how collected, compiled or otherwise obtained by TÜV Rheinland (non-personal and not proprietary to the client) within the scope of the provision of services by TÜV Rheinland. TÜV Rheinland shall be entitled to access, develop and pass on the data obtained in connection with the provision of services for the purposes of developing new services, improving services and analysing the provision of services.
- 10.2 The disclosing party shall mark all confidential information disclosed in written form as confidential before passing it onto the receiving party. The same applies to confidential information transmitted by e-mail. Confidential information shall not be disclosed to a third party shall be appropriately informed in advance and the disclosing party shall confirm in writing the confidentiality nature of the information within five working days of oral disclosure. Where the disclosing party fails to do so, the receiving party shall not be bound by the confidentiality obligations hereunder towards such information. The client shall avoid using any third party platform and/or system (e.g. Wechat, etc.). Unauthorized by TÜV Rheinland) and shall not be used to disclose confidential information to any third party. The client shall send any confidential information to company email of TÜV Rheinland employees through its company email. If the client suffers from any losses or damages due to any theft or leakages to be caused by the receiving party, the client shall be liable to cover the losses and methods mentioned above. TÜV Rheinland shall be waived for any compensation liabilities.
- 10.3 All confidential information which the disclosing party transmits or otherwise discloses to the receiving party and which is created during performance of work by TÜV Rheinland, a) may only be used by the receiving party for the purposes of performing the contract, unless expressly otherwise agreed in writing by the disclosing party; b) may not be copied, reproduced, disseminated or published by the receiving party, unless this is necessary for fulfilling the purpose of the contract or TÜV Rheinland is required to pass on confidential information, inspection reports or documentation to the government authorities, judicial authorities or other third parties in order to prove the correctness of the relevant direct and/or indirect proposed purchasers, vehicle manufacturers, whole equipment manufacturers, test standards or test requirements providers of the client's test products and/or certified products, and confirm the destruction of such confidential information; c) must be treated by the receiving party with the same level of confidentiality as the receiving party uses to protect its own confidential information, but never with a lesser level of confidentiality than that which is reasonably necessary to protect its own confidential information.
- 10.4 The receiving party may disclose any confidential information received from the disclosing party only to those of its employees who need this information to perform the services required for the contract. The disclosing party shall be liable to inform its employees to observe the same level of secrecy as set forth in this confidentiality clause.
- 10.5 Information for which the receiving party can furnish proof that:
 - a) was generally known at the time of disclosure or has become general knowledge without violation of this confidentiality clause;
 - b) was disclosed to the receiving party by a third party entitled to disclose this information; or
 - c) the receiving party already possessed this information prior to disclosure by the disclosing party;
- 10.6 The receiving party developed it itself, irrespective of disclosure by the disclosing party, shall be deemed to constitute "confidential information" as defined in this confidentiality clause.
- 10.7 All confidential information shall remain the property of the disclosing party. The receiving party hereby agrees to immediately (i) return all confidential information, including all copies, to the disclosing party, and/or (ii) on request by the disclosing party, to destroy all confidential information, including all copies, and confirm the destruction of such confidential information to the disclosing party in writing, at any time if so requested by the disclosing party but at the latest and without special request after termination or expiry of the contract. This does not extend to include reports and certificates prepared and/or issued by the disclosing party for fulfilling the obligations under the contract, which shall remain with the client. However, TÜV Rheinland is entitled to make file copies of such reports, certificates and confidential information forms the basis for preparing the contract and for the purpose of providing evidence of the correctness of its results and for general documentation purposes required by laws, regulations and the requirements of working procedures of TÜV Rheinland.
- 10.7 From the start of the contract and for a period of three years after the termination of the contract, the receiving party shall maintain strict secrecy of all confidential information and shall not disclose this information to any third parties or use it for itself.

11. Copyrights and rights of use, publications

- 11.1 TÜV Rheinland shall retain all exclusive copyrights in the reports, expert reports/opinions, test reports/results, results, calculations, presentations etc. prepared by TÜV Rheinland, unless otherwise agreed by the parties in a separate agreement. In the event of such agreements, TÜV Rheinland is free to grant others the right to use the work results for individual or all types of use ("right of use").
- 11.2 The client retains a sole, unlimited, non-transferable, non-sublicensable right of use to the contents of the work results produced within the scope of the contract, unless otherwise agreed by the parties in a separate agreement. The client may only use such reports, expert reports/opinions, test reports/results, calculations, presentations etc. prepared within the scope of the contract for the contractually agreed purpose.
- 11.3 The transfer of right of use of the generated work results regulated in clause 11.2 of the GTBC is subject to full payment of the remuneration agreed in favour of the client.
- 11.4 The client may use work results only complete and unshortened. The client may only pass on the work results in full unless TÜV Rheinland has given its prior written consent to the partial passing on of work results.
- 11.5 Any publication or duplication of the work results for advertising purposes or any further use of the work results beyond the scope regulated in clause 11.2, and any quotation of the introduction of TÜV Rheinland need the prior written approval of TÜV Rheinland in each individual case. Besides, the client ensures that the aforesaid use shall comply with relevant applicable laws, regulations and relevant rules (including but not limited to specific applicable testing and certification rules, etc.).
- 11.6 TÜV Rheinland may revoke a once given approval according to clause 11.5 at any time without stating reasons. In this case, the client is obliged to stop the transfer of the work results and to inform the client of this. The client shall be liable to cover the costs of such individual case. Besides, the client ensures that the aforesaid use shall comply with relevant applicable laws, regulations and relevant rules (including but not limited to specific applicable testing and certification rules, etc.).
- 11.7 The consent of TÜV Rheinland to publication or duplication of the work results does not entitle the client to use the corporate logo, corporate design or test/certification mark of TÜV Rheinland.

12. Liability of TÜV Rheinland

- 12.1 Irrespective of the legal basis, to the fullest extent permitted by applicable law, in the event of a breach of contractual obligations or tort, the total net amount payable by the client for losses and reimbursement of expenses caused by TÜV Rheinland, its legal representatives and/or employees shall be limited to: (i) in the case of a contract with a fixed overall fee, three times the overall fee for the entire contract; (ii) in the case of a contract with a variable fee, the agreed annual fee; (iii) in the case of a contract expressly charged on a time and material basis, a maximum of 20,000 Euro or equivalent amount in local currency; and (iv) in the case of a framework agreement that provides for the possibility of placing individual orders, three times the fee for the individual order under which the damages or losses have occurred. Notwithstanding the above, in the event that the total and accumulated liability calculated according to the foregoing provisions exceeds 2.5 Million Euro or equivalent amount in local currency, the total and accumulated liability of TÜV Rheinland shall be only limited to and shall not exceed the said 2.5 Million Euro or equivalent amount in local currency.
- 12.2 The limitation of liability according to article 12.1 above shall not apply to damages and/or losses caused by malice, intent or gross negligence on the part of TÜV Rheinland or its vicarious agents. Such limitation shall not apply to damages for a person's death, physical injury or illness.
- 12.3 In cases involving a fundamental breach of contract, TÜV Rheinland will be liable even where minor negligence is involved. For this purpose, a "fundamental breach" is to be understood as contractual obligation, the performance of which permits the due performance of the contract. Any claim for damages for a fundamental breach of contract shall be limited to the amount of damages reasonably foreseeable as a possible consequence of a contract at the time of the time of the breach (reasonably foreseeable damages), unless any of the circumstances described in article 12.2 applies.
- 12.4 TÜV Rheinland shall not be liable for the acts of the personnel made available by the client to support TÜV Rheinland in the performance of its services under the contract, unless such personnel made available is regarded as vicarious agent of TÜV Rheinland. If TÜV Rheinland is not liable for the acts of the personnel made available by the client under the foregoing provision, the client shall indemnify TÜV Rheinland against any claims made by third parties arising from or in connection with such persons' acts.
- 12.5 Unless otherwise contractually agreed in writing, TÜV Rheinland shall only be liable under the contract to the client.
- 12.6 The limitation periods for claims for damages shall be based on statutory provisions.
- 12.7 None of the provisions of this article 12 changes the burden of proof to the disadvantage of the client.

13. Export control

- 13.1 When passing on the services provided by TÜV Rheinland or parts thereof to third parties in Greater China or other regions, the client must comply with the respectively applicable regulations of national and international export control law.
- 13.2 The performance of a contract with the client is subject to the proviso that there are no obstacles to performance due to national or international foreign trade legislations or embargos and/or sanctions. In the event of a violation, TÜV Rheinland shall be entitled to terminate the contract with immediate effect and the client shall compensate for the losses incurred thereby by TÜV Rheinland.

14. Data protection notice

- The client understands and agrees that TÜV Rheinland processes personal data (including but not limited to personal information) of the client and its related parties (including but not limited to the supplier of the client) for the purpose of fulfilling this contract. The client confirms

that it has obtained the prior consent of the data subject, which entitles TÜV Rheinland to process the personal data of the data subject that the client collected and processed by itself and transferred to TÜV Rheinland. For certain services, we may also process sensitive personal data. TÜV Rheinland will use and process the data in accordance with the relevant legal provisions. If any personal data shall be disclosed or transferred to any third party or any overseas party outside of the district in which the personal data was collected, the client also confirms that it has obtained the prior consent of the data subject; TÜV Rheinland will carry out cross-border data transmission and/or process the data in compliance with the privacy and personal data security related laws and regulations in China and the local country. TÜV Rheinland will take measures to avoid any leakage, abuse, manipulation, damage or unauthorized access of personal data. The client shall be notified immediately as soon as a corresponding reason for deletion arises. Data subjects may exercise the following rights: right of information, right of decision, right of rectification, right of deletion, right of processing limitation, right of objection, right of data transferability, in addition, persons concerned by the data processing have the right to object to the processing of their personal data, as well as the right to file a complaint with the competent data protection supervisory authority. For further details on the processing of personal data by TÜV Rheinland as the person responsible or contract processor, please refer to the respective data protection information. You can contact the Group Data Protection Officer of TÜV Rheinland by e-mail at dataprotection@tuv.com or by post at the registered address: TÜV Rheinland AG, Group Data Protection Officer, Am Grauen Stein, 51105 Cologne, Germany.

15. Retention of test material and documentation

- 15.1 The test samples submitted by the client to TÜV Rheinland for testing will be scrapped following testing or will be returned to the client at the client's expense. The only exceptions are test samples, which are placed in storage on the basis of statutory regulations or of other agreement with the client.
- 15.2 Charges apply if the test samples are stored at the premises of TÜV Rheinland. The cost of placing a test sample into storage will be disclosed to the client in the quotation.
- 15.3 If reference samples or documentation are stored at the premises of TÜV Rheinland at their premises, the reference samples or documentations must be made available to TÜV Rheinland upon request promptly and free of charge. If the client, in response to such a request, is incapable of making the reference samples or documentations available, any liability claims for material and pecuniary damage resulting from the respective testing and certification that is brought forward by the client against TÜV Rheinland shall be voided.
- 15.4 The retention period for the documentations shall be 10 (ten) years after the expiry of the test mark certificates or shall meet the applicable legal requirements for EU/EEC certificates of conformity and QS mark certificates.
- 15.5 The costs of the storage and disposal of the test samples for storage on the client's premises are borne by the client. TÜV Rheinland will be liable for the loss of test samples or reference samples from the laboratories or warehouses of TÜV Rheinland only in case of gross negligence.

16. Termination of the contract

- 16.1 Notwithstanding clause 3.3 of the GTBC, TÜV Rheinland and the client are entitled to terminate the contract in its entirety or, in the case of services combined in one contract, each of the combined parts of the contract individually and independently of the continuation of the remaining services with six (6) months' notice to the end of the contractually agreed term. The notice period shall be shortened to six (6) weeks in case TÜV Rheinland is prevented from performing the services due to a loss or a suspension of its accreditation or notification.
- 16.2 In the event of force majeure, TÜV Rheinland may consider giving a written notice to the client to terminate the contract without bearing any liabilities and the client shall pay the relevant service fees for the services provided by TÜV Rheinland due to the termination date of the contract. The aforesaid notice shall be given without delay, unless otherwise agreed in writing. If the client does not immediately notify TÜV Rheinland of changes in the conditions within the company which are relevant for certification or signs of such changes:
 - a) the payment obligations under the contract shall be suspended for the duration of the contract;
 - b) in the event of several consecutive delays in payment (at least three times);
 - c) a substantial deterioration of the financial circumstances of the client occurs and as a result the payment obligations under the contract shall be suspended for the duration of the contract; and
 - d) TÜV Rheinland cannot reasonably be expected to continue the contractual relationship.
- 16.3 In the event of any serious misrepresentation, be it by intentional fraud or grossly negligent behaviour of the client, TÜV Rheinland shall be entitled to terminate the contract immediately and to continue or finalize the performance of the service, e.g. in case of force majeure, or other that the client is not responsible for, or to suspend the performance of the service, e.g. if the country/region involved in the whole contract or the specific service project in the contract does not belong to the insurance coverage applicable to TÜV Rheinland, and TÜV Rheinland determines that there is a risk or some risks beyond its control to continue to perform the contract.
- 16.3 In the event of termination with written notice by TÜV Rheinland for good cause, TÜV Rheinland shall be entitled to a lump-sum claim for damages against the client if the conditions of a claim for damages exist. In this case, the client shall owe 15% of the remuneration to be paid until the end of the fixed contract term as lump-sum compensation. The client reserves the right to prove that there is no damage or a considerably lower damage. TÜV Rheinland shall be entitled to prove the existence of such damage in the event of a claim for damages.
- 16.4 TÜV Rheinland is also entitled to terminate the contract with written notice if the client has not been able to make use of the time windows for auditing service provision provided by TÜV Rheinland with written notice of a specific date of a certain procedure. The certificate therefore has to be withdrawn (for example during the performance of monitoring audits). Clause 16.3 applies accordingly.

17. Force Majeure

- 17.1 "Force Majeure" means the occurrence of an event or circumstance that prevents or impedes a Party from performing one or more of its contractual obligations under the contract, if and to the extent that the Party can prove: (a) that such impediment is beyond its reasonable control; and (b) that it could not reasonably have been foreseen at the time of the conclusion of the contract; and (c) that the effect of the impediment could not reasonably have been avoided or overcome by the affected Party.
- 17.2 In the absence of proof to the contrary, the following events affecting a Party shall be presumed to fulfill conditions (a) and (b) under paragraph 1 of this Clause: (i) war (whether declared or not), hostilities, invasion, act of foreign enemies, extensive military mobilization; (ii) civil war, riot, rebellion and revolution, military or usurped power, insurrection, act of terrorism, sabotage or piracy; (iii) currency and trade restriction, embargo, sanction; (iv) act of authority whether lawful or unlawful, compliance with any law or governmental order, expropriation, seizure of works, requisition, nationalization; (v) plague, epidemic, natural disaster or extreme natural event; (vi) explosion, fire, destruction of equipment, prolonged break-down of transport, telecommunication, information systems, extensive military mobilization such as boycott, strike and lock-out, go-slow, occupation of factories and premises.
- 17.3 The Party successfully invoking this Clause is relieved from its duty to perform its obligations under the contract and from any liability in damages or from any other contractual remedy for breach of contract, from the time at which the impediment causes inability to perform. Provided that the notice thereof is given without delay, a notice thereof is not given without delay, the relief is effective from the time at which notice thereof reaches the other Party. Where the effect of the impediment or event invoked is temporary, the above consequences shall apply only so long as the impediment involved impedes performance by the affected Party. Where the duration of the impediment invoked has the effect of substantially depriving the contracting Parties of their work they were reasonably entitled to expect under the contract, either Party has the right to terminate the contract by notification within a reasonable period to the other Party. Unless otherwise agreed, the Parties expressly agree that the contract may be terminated by either Party if the duration of the impediment exceeds 120 days.

18. Hardship

- 18.1 The Parties are bound to perform their contractual duties even if events have rendered performance more onerous than could reasonably have been anticipated at the time of the conclusion of the contract.
- 18.2 Notwithstanding paragraph 1 of this Clause, where a Party proves that:
 - (a) the continued performance of its contractual duties has become excessively onerous due to an event beyond its reasonable control which it could not reasonably have been expected to have taken into account at the time of the conclusion of the contract; and that
 - (b) it could not reasonably have avoided or overcome the event or its consequences, the Parties are bound, within a reasonable time of the invocation of this Clause, to negotiate alternative contractual terms which reasonably allow to overcome the consequences of the event.
- 18.3 Where Clause 18.2 applies, but where the Parties have been unable to agree alternative contractual terms as provided in that paragraph, the Party invoking this Clause is entitled to terminate the contract, but cannot request adaptation by the judge or arbitrator without the agreement of the other Party.

19. Partial invalidity, written form, place of jurisdiction and dispute resolution

- 19.1 All amendments and supplements must be in writing in order to be effective. This also applies to amendments and supplements to this clause 19.1.
- 19.2 Should one or several of the provisions under the contract and/or these terms and conditions be or become ineffective, the contracting parties shall replace the invalid provision with a legally valid provision that comes closest to the content of the invalid provision in legal and commercial terms.
- 19.3 Unless otherwise stipulated in the contract, the governing law of the contract and these terms and conditions shall be chosen following the rules as below:
 - a) if TÜV Rheinland in question is legally registered and existing in the People's Republic of China, the contracting parties hereby agree that the contract and these terms and conditions shall be governed by the laws of the People's Republic of China;
 - b) if TÜV Rheinland in question is legally registered and existing in Taiwan, the contracting parties hereby agree that the contract and these terms and conditions shall be governed by the laws of Taiwan;
 - c) if TÜV Rheinland in question is legally registered and existing in Hong Kong, the contracting parties hereby agree that the contract and these terms and conditions shall be governed by the laws of Hong Kong.
- 19.4 Any dispute in connection with the contract and these terms and conditions or the execution thereof shall be settled friendly through negotiations. Unless otherwise stipulated in the contract, if no settlement or no agreement in respect of the extension of the negotiation period can be reached within two months of the arising of the dispute, the dispute shall be submitted:
 - a) in the case of TÜV Rheinland in question being legally registered and existing in the People's Republic of China, to the China International Arbitration Center (CIAC) in force when the arbitration is submitted. The arbitration shall take place in Beijing, Shanghai, Shenzhen or Chongqing as appropriate chosen by the claiming party;
 - b) in the case of TÜV Rheinland in question being legally registered and existing in Taiwan, to Chinese Arbitration Association, Taipei to be arbitrated in accordance with its then current Rules of Arbitration. The arbitration shall take place in Taipei;
 - c) in the case of TÜV Rheinland being legally registered and existing in Hong Kong, to Hong Kong International Arbitration Center (HKIAC) to be settled by arbitration under the HKIAC Administered Arbitration Rules in force when the arbitration is submitted in accordance with these rules. The arbitration shall take place in Hong Kong.The decision of the relevant arbitration tribunal shall be final and binding on both parties. The arbitration fee shall be borne by the losing party.