

## EATON FILTRATION BUSINESS TERMS AND CONDITIONS OF SALE/APAC

### A. Code of Ethics

Eaton Corporation requires that all directors, officers and employees of Eaton, its subsidiaries and affiliates ("Eaton") abide by the fundamental principles of ethical behavior listed here in performing their duties.

1. **Obeying the law** – We respect and obey the laws, rules and regulations applying to our businesses around the world.
2. **Integrity of recording and reporting our financial results** – We properly maintain accurate and complete financial and other business records and communicate full, fair, accurate, timely and understandable financial results and other material information. We have developed a system of internal controls designed to preserve the integrity of our records and information.
3. **Respecting human rights** – We respect human rights and require our suppliers to do the same.
4. **Delivering quality** – We are committed to producing quality products and providing quality services.
5. **Competing ethically** – We gain competitive advantage through superior performance. We do not engage in unethical or illegal trade practices.
6. **Respecting diversity and fair employment practices** – We are committed to respecting a culturally diverse workforce through practices that provide equal access and fair treatment to all employees on the basis of merit. We do not tolerate harassment or discrimination in the workplace.
7. **Avoiding conflicts of interest** – We avoid relationships or conduct that might compromise judgment or create actual or apparent conflicts between our personal interests and our loyalty to Eaton. We do not use our position with Eaton to obtain improper benefits for others or ourselves. We do not engage in activities or enter into relationships that compete with Eaton.
8. **Protecting assets and information** – We use Eaton property, information and opportunities for Eaton's business purposes and not for unauthorized use. We properly maintain the confidentiality of information and employee data entrusted to us by Eaton or others.
9. **Acting with integrity** – We do not offer or accept bribes, kickbacks or inappropriate gifts or entertainment. We engage in business practices that are consistent with our ethics and values.
10. **Selling to governments** – We comply with the special laws, rules and regulations that relate to government contracts and relationships with government personnel.
11. **Political contributions** – We do not make contributions on behalf of Eaton to political candidates or parties, even where lawful.
12. **Environment, health and safety** – We are committed to being a global leader in safeguarding the health and safety of our employees and protecting the environment.

**Reporting** – Subject to local law, any person may openly or anonymously report any ethical concern or potential or actual legal violation, including any accounting, financial, tax or anti-bribery matter, to the Ethics and Compliance Office. Confidentiality will be maintained to the fullest extent possible while permitting an appropriate investigation. These reports may be made by postal mail, e-mail or telephone as indicated below:

**Postal mail** - Send mail to: VP, Ethics and Compliance, Eaton Corporation, 1111 Superior Ave, Cleveland, Ohio 44114 USA

**E-mail** - Send e-mail to [Ethics@eaton.com](mailto:Ethics@eaton.com) or use the web forms located on the Global Ethics website accessible through JOE (Eaton's intranet) or on Eaton's external website.

**Telephone** - Contact the Ethics and Financial Integrity Help Line by dialing 800.433.2774 from the U.S. and Canada. From all other countries, dial the number listed on your local Ethics poster or on the Global Ethics website on JOE. The Help Line is toll-free, and a multilingual representative is available 24 hours a day 7 days a week.

**Multilingual support** - If you prefer, you may use your native language to write your concern to one of the addresses above, and we will translate your letter or e-mail.

Eaton will not permit retaliation against any employee who reports an ethical, legal or financial concern nor will it discipline any employee for making a report in good faith.

**Personal responsibility** - Every director, officer and employee has the personal responsibility to read, know and comply with the principles contained in this Code of Ethics. Subject to local law, compliance with these principles is a condition of employment, and failure to comply may result in discipline, up to and including termination. The Board of Directors shall determine, or designate appropriate management personnel to determine, the actions to be taken in the event of violations of the Code of Ethics. These actions will be reasonably designed to deter wrongdoing and to promote accountability for adherence to the Code of Ethics. Subject to local law, every director, officer and employee has the duty to bring to the attention of Eaton any activity that in his or her judgment would violate these principles. Reports may be made to a supervisor or another member of management, or the Ethics and Compliance Office as noted above. Potential violations may also be reported to the chairs of the Audit or Governance Committees of the Board of Directors, or directly to the full Board of Directors, by mail in care of the VP, Ethics and Compliance, who will forward the report.

We expect our distributor supplier, customers and partners to comply the above codes, and signing the contract attached with this Appendix will be deemed as agreeing our Code of Ethics. Eaton may terminate this contract for any violation of this Code of Ethics.

## **B. Standard Terms and Conditions of Sale**

These Terms and Conditions of Sale are between the buyer ("Buyer") and the Eaton Corporation affiliate ("Seller") selling Filtration products ("Product(s)") or services ("Service(s)"). These Terms and Conditions of Sale are subject to change, as notified by Seller posting revised Terms and Conditions of Sale on its Product literature website at

<https://www.eaton.com/us/en-us/support/terms-conditions/filtration-terms-and-conditions.html>

### **1. Quotations and Price Lists**

**1.1. Quotation:** Written quotations by Seller ("Quotations") unless otherwise indicated therein, shall expire automatically sixty (60) days after the date appearing on the Quotations unless Seller receives and accepts Buyer's order within that period. Prior to the expiration date any Quotation is subject to change by Seller at any time upon written notice to Buyer.

**1.2 Price Lists:** Price List means the list of prices applicable for the Seller's Products and as published by the Seller. Different Price Lists may apply for each of Seller's Product category. Each Price List is valid from its effective date as indicated on such Price List until its revision by the Seller. The Price List is subject to these Terms and Conditions of Sale.

### **2. Acceptance of Purchase Orders**

Notwithstanding any contrary language in Buyer's purchase order, each purchase order shall be subject to acceptance by an authorized employee of Seller and each purchase order upon acceptance ("Contract") shall be governed exclusively by these Terms and Conditions of Sale, except if any specific terms have been expressly and mutually agreed by the parties and confirmed in Seller's sale order acknowledgment of each purchase order. Such acceptance is expressly limited to these Terms and Conditions of Sale, and any additional or different terms proposed by Buyer are automatically rejected unless expressly and specifically agreed to in writing by an authorized employee of Seller. Seller's acceptance of a purchase order is expressly conditioned upon the Buyer's assent to the Seller's Terms and Conditions of Sale contained herein. All purchase orders accepted by Seller are deemed to be sales for commercial Buyers and shall not, unless plainly and prominently stated on the face of the purchase order, be considered a sale to any federal, state, provincial or municipal governmental entity either domestic or foreign. No contract shall exist except as herein above provided. No contingency contained on any purchase order shall be binding upon the Seller and such additional or conflicting terms are deemed expressly rejected by the Seller.

### **3. Price Changes**

The price of the Products shall be the price set out in the order acknowledgement or, where no price has been set out, the price provided by way of quotation or the price listed in Seller's price list current at the date of the acceptance. Seller reserves the right, by giving written notice at any time before shipment to the Buyer, to change the prices of the Products to reflect any change in the cost to Seller which is due to any factor beyond the reasonable control of Seller, including (without limitation): (i) exchange rate fluctuations; (ii) changed legal and regulatory requirement for the Products; (iii) increase in energy or raw material prices used in the Products; (vi) increases in transportation cost. Orders will be priced and invoiced accordingly. In such event, Buyer has the right to cancel the order to which the increase in price applies according to the terms of cancellation defined in Clause 14.2. Seller reserves the right to make any corrections to prices quoted due to clerical errors or errors of omission. In the event of any Buyer specific requirements (including without limitation any design, specification, ordered quantity, or shipment changes) representing a price increase, Buyer will be notified about the change and afforded an opportunity to confirm.

### **4. Payment Terms**

Unless otherwise agreed in writing by the Seller, Standard Payment Term is 100% in advance upon Orders confirmation. Payment require a wire transfer of funds in the contracted currency to the bank designated by the Seller.

### **5. Taxes Charges and others**

Price is exclusive of any custom duties, applicable taxes, levies and similar charges, premium freight costs, customized packaging costs, cost of disassembly, take-back, proper recycling and disposal of waste, and other applicable costs identified by Seller. These will be charged to and paid for by Buyer, including all taxes applicable to, or arising from, the transaction, the Products, their sale, value, or use, or any Services performed in connection therewith regardless of the person or entity actually taxed. Buyer is responsible for furnishing a tax exempt or resale certificate.

**6. Delivery**

Lead times are for reference only and are subject to change by Seller. Design and/or specification changes are subject to review for possible adjustments to delivery. Order quantities subject to scheduled delivery dates must be mutually agreed upon, except for a production variance applied by Seller of 10% from the Quotation. Delivery shall be made at the date or within the time period mutually agreed upon in writing. Seller shall have the right to make partial shipment of the Product or Services unless otherwise requested in writing from the Buyer, and invoice Buyer in accordance with the payment terms set forth in Clause 4 herein.

**7. Packaging**

The cost of standard bulk packaging for shipment in the United States and Canada, or domestic shipment as the case may be, is included in Seller's price, subject to Clause 5 herein. Additional charges may be imposed for special domestic packaging, overseas packaging, or special marking performed at Buyer's request and agreed to by Seller. Packaging materials will not be taken back by Seller unless Seller so agreed in writing.

**8. Shipment Terms**

Unless Seller agrees otherwise all shipments shall be FCA Seller's designated location (shipping point) and may be made by lots of reasonable commercial size as Seller deems appropriate. Seller shall also be entitled to impose additional charges for the completion, at Buyer's request, of forms with respect to shipping. Unless otherwise agreed in writing, Seller is not liable for freight charges including premium freight to expedite shipment or as a result of Buyer-initiated pick-up. Premium freight authorization must be obtained through Seller's premium freight approval process. If premium freight is authorized, Seller's designated freight carrier will be employed.

**9. Transfer of Title and Risk of Loss**

Title and risk of loss or damage in transit shall pass from Seller to Buyer at delivery, and delivery shall be deemed to occur upon transfer of possession to the first common carrier or Buyer's representative at the delivery point whichever occurs first per applicable shipping terms.

**10. Limitation of Liability**

THE REMEDIES OF THE BUYER SET FORTH IN THESE TERMS AND CONDITIONS OF SALE ARE EXCLUSIVE AND ARE ITS SOLE REMEDIES FOR ANY FAILURE OF SELLER TO COMPLY WITH ITS OBLIGATIONS HEREUNDER. NOTWITHSTANDING ANY PROVISION IN THESE TERMS AND CONDITIONS OF SALE TO THE CONTRARY, IN NO EVENT SHALL SELLER BE LIABLE IN CONTRACT, WARRANTY, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), EXTRA-CONTRACTUALLY, OR OTHERWISE FOR DAMAGE TO PROPERTY OR EQUIPMENT OTHER THAN PRODUCTS SOLD OR SERVICED HEREUNDER, OR ANY ASSOCIATED EQUIPMENT, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF PRODUCTS, COST OF CAPITAL, CLAIMS OF CUSTOMERS OF THE BUYER OR OTHER THIRD PARTIES (EXCEPT AS OTHERWISE PROVIDED FOR IN CLAUSE 11 BELOW) OR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHATSOEVER, REGARDLESS OF WHETHER SUCH POTENTIAL DAMAGES ARE FORESEEABLE OR IF SELLER OR BUYER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TOTAL CUMULATIVE LIABILITY OF SELLER ARISING FROM, CONNECTED WITH, RESULTING FROM OR RELATED TO THESE TERMS AND CONDITIONS OF SALE WHETHER THE CLAIMS ARE BASED IN CONTRACT, WARRANTY, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), EXTRA-CONTRACTUAL, OR OTHERWISE, SHALL NOT EXCEED THE PRICE PAID FOR THE PRODUCT OR SERVICE ON WHICH SUCH LIABILITY IS BASED. UNDER NO CIRCUMSTANCE SHALL SELLER HAVE ANY LIABILITIES OR CONSEQUENTIAL DAMAGES OF ANY KIND RESULTING IN WHOLE OR IN PART FROM SELLER'S DELAY IN DELIVERING, OR FAILURE TO DELIVER ANY PRODUCTS TO BUYER AS AGREED.

**11. Intellectual Property**

Buyer shall indemnify and hold Seller harmless from and against any and all losses, costs, expenses, claims, demands, suits and judgments arising from actual or alleged infringements of any third-party's intellectual property rights by any Product manufactured to Buyer's specifications, or to the extent that such infringement is caused by Seller's compliance with any Buyer's requirement, modification, or specification. Subject to the foregoing, Seller shall defend any suit or proceeding brought against Buyer on a claim that a Product sold under this Contract, or any part thereof, directly infringes any third party intellectual property right, provided that Seller is notified promptly in writing and given all necessary information, assistance and authority to defend the same. Seller shall pay all damages and costs finally awarded against Buyer as a result thereof. If as the result of such direct infringement, the court enjoins the use of any Product, or part thereof, in the manner intended by Seller,

Seller shall at its sole expense and option:

- (a) procure for Buyer the right to continue using said Product or part;
- (b) replace such Product or part with a non-infringing product or part;
- (c) modify said Product or part so that it becomes non-infringing; or
- (d) remove said Product or part and refund its purchase price and transportation costs.

Seller shall have no further liability for actual or alleged intellectual property infringement except as provided herein.

## **12. Design and Technical Information**

Seller claims proprietary rights in the items and information associated with this order including the Products and Services. Drawings and technical information are issued in confidence for engineering information and mutual assistance only and may not be publicly disseminated, reproduced or used by Buyer without Seller's prior written consent, and shall be returned immediately when its purpose has been served or upon Seller's request whichever is earlier.

## **13. Limited Warranty; Defects Notification**

**13.1 Limited Warranty:** All Products and Services manufactured by Seller are warranted against defects in material and workmanship under normal use and service for which such Products and Services were designed for a period of eighteen (18) months after shipment or twelve (12) months after start-up, whichever comes first. Seller's sole obligation under this Limited Warranty is, at its option, to repair, replace, or refund any Product or any part or parts thereof found to be defective. This Limited Warranty does not cover reimbursement for labor, gaining access, removal, installation, temporary power, or any other expenses, which may be incurred in connection with repair or replacement. Seller's obligation under this Limited Warranty is conditioned upon receipt of all payments due from Buyer and prompt written notice of Buyer's warranty claim. THIS LIMITED WARRANTY IS THE BUYER'S EXCLUSIVE REMEDY AND SELLER HEREBY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. Seller's maximum liability shall not in any event exceed the contract price paid for the defective Product or parts. This Limited Warranty shall not apply to any Product or component repaired or altered by anyone other than Seller's authorized personnel; to any Products assembled, installed, or used in a manner contrary to Seller's instructions; or claims due to failure to follow Seller's instructions for operation and maintenance. This Limited Warranty shall not apply to Product samples or prototypes. Those are provided "AS IS" with Seller having no liability or responsibility for any defects, errors, or omissions in, or any uses or decisions made by the Buyer with or in reliance upon samples or prototypes.

**13.2 Defects Notification:** The Buyer shall notify the Seller of alleged defects in or related to the Products or Services (including, but not limited to, incorrect or insufficient deliveries) in writing and without delay. Such notice shall no longer be deemed "without delay" when it is not given within ten (10) business days; this deadline shall be deemed to have been met if the notice is posted within this period.

## **14. Changes and Cancellation**

**14.1 Changes:** Changes to existing schedules or orders are subject to Seller's acceptance and may result in an increase in per piece price due to any reschedule and/or order changes. Upon Buyer's written request, Seller may accept temporary holds on orders for rescheduling purposes for a cumulative period not to exceed thirty (30) days. Upon the expiration of this 30-day period, if Buyer has not communicated its rescheduled date, Seller reserves the right to recommence shipments in accordance with the original schedule or cancel the order without prejudice to Seller's rights to its cost reimbursement set forth hereunder.

**14.2 Cancellations:** Cancellations to existing schedules or orders are subject to Seller's prior written acceptance and payment of reasonable termination charges, including all progress billings and reimbursement by Buyer of Seller's incurred direct manufacturing costs, including but not limited to all labor costs and expenses and costs of materials that are not usable by Seller and other non-recoverable costs incurred. Such incurred costs will be determined by Seller and communicated in writing to Buyer.

## **15. Returns**

No Products shall be returned to Seller, whether for inspection, repair, replacement, or any other reason, without prior written approval from Seller. Unauthorized returns will not be accepted. Freight must be prepaid. Seller will not bear or be responsible for any related costs and risks. Products and parts must be returned for reasons other than warranty in new or like new condition with complete identification, and all returns must be made in accordance with Seller's instructions or the shipment may not be accepted. Only standard Products may be returned for credit, if in original condition and resalable. MSDS documentation must accompany all in service Product returns.

**16. Minimum Order Value**

The Minimum order value is USD250 NET and USD 500 NET for all new account orders unless otherwise provided herein or agreed in writing by Seller. If currency of price is CNY, then Minimum order amount is CNY 2000 NET and CNY 4000 NET for all new account orders unless otherwise provided herein or agreed in writing by Seller.

**17. Remedies**

To the extent permitted by applicable law, any lawsuit or legal claim for breach of this Contract must be brought within one (1) year after the breach occurs. This does not affect Buyer's obligation to inspect the condition of the purchased object as soon as feasible in the normal course of business and, if Buyer discovers defects for which Seller is liable under Warranty, to notify Seller without delay.

**18. Currency**

All payments are to be made in \$USD unless otherwise indicated by Seller on the Quotations and/or invoice.

**19. Compliance with Laws**

**19.1** Seller shall comply with all laws and regulations to which Seller is subject pertaining to the manufacture of the Products. For the avoidance of doubt, "laws and regulations" do not include recommendations of standard-setting organizations. Seller shall not be responsible for noncompliance with laws arising out of combination, operation or use of the Products with products not supplied by Seller where use of the Products without such combination, operation or use would be in compliance with such laws.

**19.2** Buyer shall obtain all licenses, permits and approvals required by any government or applicable authority, including any recycling or take-back programs applicable to packaging of Products, and shall comply with all applicable laws, statutes, rules, regulations, orders, policies and procedures and any requirements applicable to the importation, exportation, use, sale, loan, purchase, destruction, and distribution of Products of any government or other competent authority where the Products are to be used or deployed or performance under these Terms and Conditions is carried out including those referenced in this Clause and Clause 21 below (collectively, "Applicable Laws"). In the event of any third party claim against Seller relating to the foregoing, Buyer shall provide all necessary information and assistance in the resolution of the claim and Buyer shall indemnify and hold Seller harmless against any such third-party's claim. Buyer warrants that it shall comply with and not take any action or permit or authorize any action that will render Seller liable for a violation of the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act, PRC Anti- Unfair Competition Law, Singapore the Prevention of Corruption Act, and any applicable local law, which prohibits the offering, giving or promising to offer or give, directly or indirectly, money or anything of value to any official of a government, political party or instrumentality thereof in order to assist it or Seller in obtaining or retaining business. Seller strives to maintain the highest standards of business integrity. If Buyer has any cause for concern regarding any business practices these should be reported to Seller. Buyer acknowledges that the failure to comply with all such Applicable Laws and/or Seller's policies will be deemed a material breach of this Contract and shall entitle Seller to terminate this Contract (in addition to any other remedies Seller may have at law or equity). Buyer agrees to indemnify, defend and hold Seller harmless from any breach of Buyer's obligation under this clause.

**20. Export, Re-export, Transfer and Use Controls**

The Products (or Services) supplied by Seller under this Contract may be subject to export controls under the laws and regulations of the United States (U.S.), the United Nations, the European Union, China, Singapore or the country of export pursuant to applicable law. Such regulations include, but are not limited to, applicable laws and regulations of the United States of America governing the export of U.S. origin goods, software, technical data and military items, including the U.S. Export Administration Act, Export Control Act, regulations of the Bureau of Export Administration, the Office of Foreign Assets Control and the Office of Defense Trade Controls, regulations of The Ministry of Commerce of the People's Republic of China and Trading with Enemy Act and the International Traffic in Arms Regulation (ITAR). Buyer shall comply with such laws and regulations governing export, re-export, transfer and use of Seller Products and will obtain all local authorizations, permits, or licenses required by the applicable laws and regulations. Seller and Buyer each agree to provide the other party with information, support documents, and assistance as may reasonably be required by the other in connection with securing authorizations or licenses. Buyer's obligations under this clause shall survive the expiration or termination of this Contract. Buyer shall not take any action in connection with Seller's Products and Services deemed to support a boycott of any country unauthorized by the U.S., the United Nations, the European Union, China, Singapore or any government and pursuant to applicable law, or otherwise take any action which will place Seller or any other affiliate of Seller in jeopardy of breaching or violating any such laws or regulations or interpretations thereof.



**21. Termination**

- 21.1** If a party breaches any of the provisions of this Contract, the non-breaching party may terminate this Contract as follows:
- (a) immediately upon providing written notice to the breaching party if the breach is not capable of being cured, or
  - (b) thirty (30) days after providing written notice to the breaching party if the breaching party fails to cure such breach within such thirty 30-day period or as otherwise agreed to by the parties in writing.
- 21.2** The termination of the Contract in any way whatsoever will be without prejudice to the rights, obligations, and liabilities of either party accrued prior to termination.

**22. Bankruptcy**

If bankruptcy proceedings are instituted against any contracting party or an application for bankruptcy proceedings against that party is not granted for insufficiency of assets, the other party may terminate the Contract immediately with written notice subject to any applicable mandatory law. Notwithstanding the foregoing, the Seller's title to the delivered goods shall not be affected by the bankruptcy and/or insolvency proceedings. At its discretion and at any time, Seller shall be entitled to enter the Buyer's premises and re-take possession of any Products and Services that have been delivered but remained unpaid by the Buyer.

**23. Assignment**

Seller shall be entitled to delegate, transfer or assign its rights and obligations arising from the Contract, in whole or in part, to any affiliate company which is owned, directly or indirectly, by Eaton Corporation Plc. Seller may, without Buyer's consent, assign the right to receive any amount due.

**24. Personal Data Processing**

In performing the Contract as defined, the parties may have access to one or more databases, applications, reports, documents and/or other information in hardcopy or electronic form that contain or process data relating to identified or identifiable individuals ("Personal Data"). Such individuals may include employees, temporary workers, contractors, consultants, students, customers, end-users or other business partners and associates. Each party acknowledges that Personal Data, in whichever form, is of a very sensitive nature, and hereby undertake to treat Personal Data strictly confidential and to use them only within the limits authorized by Seller. If necessary and upon request of Seller, Buyer shall procure from its employees, agents or sub-contractor that they sign Seller standard individual forms regarding the protection of Personal Data. To the extent permitted by applicable law, the parties consent to the processing of their respective Personal Data. In particular each party agrees expressly that the other party communicates the received Personal Data to any service provider in and outside the EU for performing this Contract, including for accounting, financing and contract management purposes.

**25. Force Majeure**

Seller shall have no liability to Buyer for Seller's delay or default in delivery due to strikes, secondary boycotts, riots, wars, accidents, fires, floods, earthquakes, hurricanes, similar storms, or other actions of the elements, acts of God or the public enemy, actions or failures to act by governmental agencies, explosions, vandalism, government embargoes, priorities or regulations, transportation delays, shortages of labor, fuel, materials, supplies, power, transportation facilities or tooling capacity, the impact of the outbreak of COVID-19 or any other epidemics, or other similar or dissimilar causes beyond Seller's reasonable control whether or not foreseeable. Under no circumstances shall Seller have any liability for penalties or other consequential damages of any kind resulting in whole or in part from Seller's delay in delivering, or failure to deliver, any Products to Buyer as agreed.

**26. Governing Law**

- 26.1** The Terms and Conditions of this Contract shall be exclusively governed by and construed in accordance with the laws and regulations of Singapore, without reference to its conflict of laws principles. Any dispute, controversy or claim arising out of or in connection with any Contract as defined or related thereto, including governing law, validity, invalidity, breach or termination, that cannot be settled amicably within sixty (60) days, any party may submit this dispute to the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause. All proceedings in any such arbitration shall be conducted in English. The arbitration award shall be final and binding upon the Parties.
- 26.2** If Seller is a Chinese entity, then the Terms and Conditions of this Contract shall be exclusively governed by and construed in accordance with the laws of the People's Republic of China without reference to its conflict of laws principles. Any dispute, controversy or claim arising out of or in connection with any Contract as defined or related thereto, including governing law, validity, invalidity, breach or termination, that cannot be settled amicably within sixty (60) days, any party may submit this dispute to China International Economic and Trade Arbitration Commission (CIETAC) for arbitration in Shanghai, China in accordance with the CIETAC's arbitration rules in effect at the time of applying for arbitration. The arbitration award shall be final and binding on both parties.