

SUPREME COURT OF NOVA SCOTIA

Citation: *Weihai Taiwei Haiyang Aquatic Food Co. Ltd. v. Atlantic Sea Cucumber Ltd.*, 2023 NSSC 27

Date: 20230202

Docket: Hfx No. 507676

Registry: Halifax

Between:

Weihai Taiwei Haiyang Aquatic Food Co. Ltd.

Applicant

v.

Atlantic Sea Cucumber Ltd.

Respondent

DECISION

Judge: The Honourable Justice C. Richard Coughlan

Heard: November 21, 22, 23, December 8 and 9, 2022, in Halifax,
Nova Scotia

Written Release: February 2, 2023

Counsel: Mr. John T. Boyle and Ms. Leah Robertson, for the Applicant
Mr. Jeff Aucoin, for the Respondent

By the Court:

[1] Both Weihai Taiwei Haiyang Aquatic Food Co. Ltd. (WTH) and Atlantic Sea Cucumber Ltd. (ASC) are processors of dried sea cucumbers. For a number of years, WTH processed sea cucumbers and sold them to ASC. In April 2020, WTH sold a shipment of dried sea cucumbers to ASC which complained about the amount of salt in the sea cucumbers. WTH offered to take the shipment back and pay the cost of the shipment's return. The offer was refused by ASC which kept the shipment. ASC has not paid the purchase price for the shipment.

[2] WTH commenced an Application in Court seeking payment of the purchase price of the sea cucumbers of \$986,256.75 U.S. ASC opposes the application.

[3] I have problems with the evidence of Lv Lin the general manager of WTH and Songwen Gao the owner of ASC.

[4] Examples of the problems with Mr. Lv evidence include:

[5] In an affidavit filed in opposition to ASC's motion for production of China Customs "manuals" concerning the shipment in question, Mr. Lv deposed the manuals would contain the names of WTH's suppliers of raw sea cucumbers and information about other customers of WTH which the company did not want disclosed to ASC, a competitor. The manual was disclosed. The manual did not contain information about WTH's customers or suppliers. On cross-examination Mr. Lv said China Customs informed him they had updated the forms.

[6] In a WeChat conversation on May 9, 2020, the following exchange took place:

Mr. Gao: You must have known about the high salt content. You are really making me look bad, just launching this brand

Mr. Lv: Only a part of 003 may have high salt content. Do testing, we have saved samples. It will be okay, soak it

When asked about the exchange in cross-examination, Mr. Lv said what he did as he had to be compliant. He did not want to say anything to make Mr. Gao angry. Mr. Gao was his customer who owed him a lot of money. He had to be agreeable with Mr. Gao.

[7] In another WeChat exchange, Mr. Lv admitted the sea cucumber had a high salt content and it was his fault. Mr. Lv, on cross-examination, said the salt content was not high, he lied because he was under duress and wanted to find out Mr. Gao's bottom line.

[8] In dealing with Mr. Gao's evidence, the following are examples of problems I have with it.

[9] On numerous occasions when propositions were put to Mr. Gao on cross-examination, he denied the point, only to have portions of his discovery evidence put to him contradicting his previous testimony.

[10] Mr. Gao was asked if adding sugar to sea cucumbers was worse than adding salt. He responded he did not know. He was referred to his discovery in which he testified adding sugar was worse than adding salt to sea cucumbers. Mr. Gao stated he had heard adding sugar was worse. He answered at discovery without really knowing. It was his impression sugar was worse. If he had been asked "are you sure" or "do you have evidence" his answer would have been different. Mr. Gao stated at the hearing "you are asking me in such a serious manner". Although in the sea cucumber industry since 2013, Mr. Gao testified the question should be put to Mr. Lv as he did not understand these things.

[11] It was put to Mr. Gao on cross-examination that, from October 2019 to March, April or May 2020, ASC had so much dried sea cucumber it was not itself processing sea cucumber. Mr. Gao disagreed. His discovery evidence was put to him in which he had agreed ASC was not processing sea cucumber itself during that period. Mr. Gao answered he qualified the answer with "I think" which means he was not sure whether there had been some production here or there.

[12] Mr. Gao in a WeChat conversation told Mr. Lv "so today I am telling you not to add anything". Mr. Gao testified he was telling Mr. Lv not to add additional salt. During cross-examination, Mr. Gao went from saying the conversation was about not adding additional salt to agreeing the conversation was probably about sugar and the statement not to add anything was in the context of a discussion about sugar.

[13] In a WeChat exchange Mr. Gao lied to Mr. Lv telling him a complaint had been received from Costco. No complaint had been made by Costco. Mr. Gao said it was from Costco to make it appear more important.

[14] When certain portions of the WeChat conversations were put to Mr. Lv in cross-examination, Mr. Lv testified he did not think the exhibit to Mr. Gao's affidavit contained all the WeChat exchanges between them. In cross-examination, Mr. Gao acknowledged although he reviewed the WeChat conversations and produced what he thought were relevant, there were definitely some relevant conversations missed. Mr. Gao testified if he looked at a message, whether he considered it relevant might vary from day to day. Mr. Lv was correct there were missing portions of the WeChat conversations.

[15] Other examples of differences between Mr. Gao's cross-examination and discovery evidence include:

1. Mr. Gao testified he disagreed that ASC did not have contracts with its distributors. If dealing with a state enterprise in China a contract was required. At discovery he testified 'we do not have contracts with any distributors, we only have invoices'. Mr. Gao's explanation for his discovery evidence was it was a mistake. He had an impression. Either he did not understand or consider the question;
2. Mr. Gao testified he was not sure if ASC purchased sea cucumbers from a Nova Scotia company Ocean Pride Fisheries. At discovery he testified ASC purchased sea cucumbers directly from Ocean Pride. His explanation for his discovery evidence was he thought of his companies United Trans and ASC as one. He was mixed up. He assumed out of his first impression;
3. At the hearing, Mr. Gao testified at the time ASC sold shipments SC-20LFJ002 (SC-002) and SC-20LFJ003 (SC-003) to Costco, it thought but did not know the salt content of the shipments was too high. At discovery he testified the salt content of the shipments was too high but ASC took the risk to sell them as it had already been paid for them. Mr. Gao's explanation for his discovery evidence was he was mixed up, the discovery was over two years after the event.

[16] I have no confidence in Mr. Gao's evidence and do not accept it.

Facts

[17] The facts are as follows:

[18] WTH is a company based in China which has been a processor and supplier of dried sea cucumber since November 2012. Lv Lin is the general manager of WTH.

[19] ASC is a Nova Scotia company which is a processor of dried sea cucumber. Songwen Gao is the owner of ASC. Mr. Gao is also the owner of United Trans Ltd. another processor of dried sea cucumber.

[20] Messrs. Lv and Gao were introduced in 2015. Subsequently United Trans Ltd. purchased dried sea cucumber from WTH. ASC also purchased dried sea cucumbers from WTH: approximately 10 shipments in 2018; 13 shipments in 2019 and four shipments in 2020.

[21] The shipment which is the subject of this proceeding is SC-20LFJ004 (SC-004) a copy of the sales contract for the shipment is attached to this judgment as an appendix. The terms of the contract were WTH was to provide ASC 15344.5 kilograms of dried sea cucumber at a total cost of \$986,256.75 U.S. The dried sea cucumber was to be delivered not later than April 28, 2020, from a Chinese port to a Canadian port. Payment was to be paid off T/T 14 days before arrival. The quality/quantity was to be inspected by China Customs and required to meet the quality standards of China. Any quality problems were to be raised within seven days after goods arrived at the buyer's factory.

[22] The form of contract used for shipment SC-004 was the same as used for previous shipments starting probably in 2017. Although ASC did not sign the contract for shipment SC-004, it did sign the contract for shipment SC-003.

[23] Shipment SC-004 was inspected and found fit by the People's Republic of China Customs as required by the sales contract.

[24] An invoice for shipment SC-004 was sent to ASC on March 18, 2020. The Canada Border Services Agency released the shipment on April 27, 2020 and shipment SC-004 was received by ASC by April 28, 2020.

[25] In 2018, Mr. Gao told Mr. Lv he did not wish additional salt added to the sea cucumbers being processed. Mr. Gao knew that as WTH was not located on the ocean it had to add salt in its process to match the salinity of sea water. Mr. Gao did not know the amount of salt which had to be added to match sea water. Mr. Gao agreed different sea cucumbers contain different amounts of salt. There is no evidence before the Court of the salt content of seawater in the Atlantic Ocean.

[26] In 2020, WTH changed the technique it used in processing sea cucumbers from the “old” technique to the “pull vat salt” technique. The pull vat salt technique involves leaving the sea cucumber in boiling saltwater for a longer period of time. By leaving the sea cucumber in the boiling water for longer, the sea cucumber loses more moisture prior to going to the drying rooms. This allows more sea cucumber to be processed.

[27] There is no evidence that the pull vat salt technique resulted in any significant difference in the salt content than the old technique. In an affidavit, Mr. Lv deposited the average salt amounts of shipment SC-002 processed using the old technique was 16.36%, 18.29%, 13.50%, 12.55% and 8.78%. Shipment SC-004 which was processed using the pull vat salt technique was tested and had average salt amounts of 8.81%, 19.17%, 9.78%, 13.27% and 16.77%. ASC filed a report of Julienne LeBlanc, Lab Manager at Nova West Laboratory Ltd., concerning the salt content contained in sea cucumbers provided to Nova West Laboratory by ASC. Approximately half of the samples tested by the laboratory were delivered to it prior to ASC receiving shipment SC-004. Of the samples tested which may have been part of shipment SC-004 the salt content was between 13.34% and 22.52%. The salt content of the sea cucumbers in shipment SC-004 was somewhere between 8.81% and 22.52%.

[28] There is no standard or requirement in Canada concerning the percentage of salt allowed in dried sea cucumber.

[29] After Mr. Gao complained about shipment SC-004, Mr. Lv, on behalf of WTH, offered to accept return of the shipment and pay the cost of returning the shipment, but ASC did not accept the offer. Although shipments SC-002 and SC-003 were still at ASC’s warehouse, they had been sold. ASC proposed in addition to the return of shipment SC-004, the purchase price of shipments SC-002 and SC-003 were to be refunded to ASC, which shipments would be returned to WTH, together with 10 percent of the purchase price of all previous shipments.

[30] Costco was a major purchaser of ASC sea cucumber. In March 2020 Costco slowed down taking shipments of sea cucumber. From October 2019 to March, April or May 2020, ASC had so much sea cucumber in its warehouse it was processing little, if any, sea cucumber itself. After March 2020 the sales volume in the North America sea cucumber industry collapsed due to the negative effects of Covid (Report of Jules LeBlanc).

[31] In June 2020 ASC knew the salt content of shipment SC-004 and at least believed shipments SC-002 and SC-003 had high salt levels. ASC sold shipments SC-002 and SC-003.

[32] ASC never rejected shipment SC-004. The sea cucumbers from the shipment was retained by ASC. Mr. Gao testified the sea cucumbers from shipment SC-004 expired in March 2022.

Issues

[33] The issues before the Court are:

1. Did shipment SC-004 breach the sales contract between WTH and ASC?
2. If the answer to 1. is yes, did ASC accept shipment SC-004?
3. Is ASC liable to pay WTH damages for breach of contract or otherwise and, if so, what is the amount of damages to which WTH is entitled?

Position of Parties

[34] WTH submits there was a contract between itself and ASC for the sale of shipment SC-004 of dried sea cucumber. It supplied the sea cucumber to ASC in accordance with the contract. ASC breached the contract by not paying the contract price to WTH. ASC retained the goods and did not reject the shipment. In the alternative, if ASC did not breach the contract, by retaining the shipment and not returning it to WTH, ASC was unjustly enriched or committed the tort of conversion.

[35] ASC submits WTH breached its sale contract with WTH by providing dried sea cucumber with a higher percentage of salt than agreed to by the parties. The breach of contract resulted in ASC being unable to sell the sea cucumber and it should not have to pay for them.

Analysis

[36] The approach to be followed when a court is interpreting a contract was set out in *Sattva Capital Corp. v. Creston Moly Corp.*, 2014 SCC 53, where in giving the Court's judgment, Rothstein J., stated at paras. 47-48:

[47] Regarding the first development, the interpretation of contracts has evolved towards a practical, common-sense approach not dominated by technical rules of construction. The overriding concern is to determine “the intent of the parties and the scope of their understanding” (*Jesuit Fathers of Upper Canada v. Guardian Insurance Co. of Canada*, 2006 SCC 21, [2006] 1 S.C.R. 744, at para. 27, *per* LeBel J.; see also *Tercon Contractors Ltd. v. British Columbia (Transportation and Highways)*, 2010 SCC 4, [2010] 1 S.C.R. 69, at paras. 64-65, *per* Cromwell J.). To do so, a decision-maker must read the contract as a whole, giving the words used their ordinary and grammatical meaning, consistent with the surrounding circumstances known to the parties at the time of formation of the contract. Consideration of the surrounding circumstances recognizes that ascertaining contractual intention can be difficult when looking at words on their own, because words alone do not have an immutable or absolute meaning:

No contracts are made in a vacuum: there is always a setting in which they have to be placed. . . . In a commercial contract it is certainly right that the court should know the commercial purpose of the contract and this in turn presupposes knowledge of the genesis of the transaction, the background, the context, the market in which the parties are operating.

(*Reardon Smith Line*, at p. 574, *per* Lord Wilberforce)

[48] The meaning of words is often derived from a number of contextual factors, including the purpose of the agreement and the nature of the relationship created by the agreement (see *Moore Realty Inc. v. Manitoba Motor League*, 2003 MBCA 71, 173 Man. R. (2d) 300, at para. 15, *per* Hamilton J.A.; see also Hall, at p. 22; and McCamus, at pp. 749-50). As stated by Lord Hoffmann in *Investors Compensation Scheme Ltd. v. West Bromwich Building Society*, [1998] 1 All E.R. 98 (H.L.):

The meaning which a document (or any other utterance) would convey to a reasonable man is not the same thing as the meaning of its words. The meaning of words is a matter of dictionaries and grammars; the meaning of the document is what the parties using those words against the relevant background would reasonably have been understood to mean. [p. 115]

[37] Justice Rothstein went on to say contractual interpretation is an exercise in which the principles of contractual interpretation are applied to the words of the written contract considered in light of the factual matrix (para. 50).

[38] The use of surrounding circumstances and the nature of the surrounding circumstances was described at paras. 57-58:

[57] While the surrounding circumstances will be considered in interpreting the terms of a contract, they must never be allowed to overwhelm the words of that agreement (*Hayes Forest Services*, at para. 14; and Hall, at p. 30). The goal of examining such evidence is to deepen a decision-maker’s understanding of the

mutual and objective intentions of the parties as expressed in the words of the contract. The interpretation of a written contractual provision must always be grounded in the text and read in light of the entire contract (Hall, at pp. 15 and 30-32). While the surrounding circumstances are relied upon in the interpretive process, courts cannot use them to deviate from the text such that the court effectively creates a new agreement (*Glaswegian Enterprises Inc. v. B.C. Tel Mobility Cellular Inc.* (1997), 101 B.C.A.C. 62).

[58] The nature of the evidence that can be relied upon under the rubric of “surrounding circumstances” will necessarily vary from case to case. It does, however, have its limits. It should consist only of objective evidence of the background facts at the time of the execution of the contract (*King*, at paras. 66 and 70), that is, knowledge that was or reasonably ought to have been within the knowledge of both parties at or before the date of contracting. Subject to these requirements and the parol evidence rule discussed below, this includes, in the words of Lord Hoffmann, “absolutely anything which would have affected the way in which the language of the document would have been understood by a reasonable man” (*Investors Compensation Scheme*, at p. 114). Whether something was or reasonably ought to have been within the common knowledge of the parties at the time of execution of the contract is a question of fact.

[39] Justice Rothstein went on to state the parol evidence rule does not apply to preclude evidence of the surrounding circumstances (para. 60).

[40] See also *Jorna & Craig Inc. v. Chiasson*, 2020 NSCA 42, at para. 35.

[41] The parties agree there was a contract between WTH and ASC for the sale of dried sea cucumbers by WTH to ASC. The contract with respect to shipment SC-004, the shipment which is the subject of this proceeding, is appended to this judgment.

[42] ASC submits WTH breached the contract when it shipped dried sea cucumber with a higher salt content than agreed to by the parties.

[43] There is no reference to salt content in the English version of the contract. The only reference to salt content or process to be used in preparing the dried sea cucumber in the Mandarin version of the contract is the use of the term “dangan”.

[44] The issue arises as to the meaning of “dangan”.

[45] Mr. Gao says dangan is a technique to add salt to sea cucumber to get to the level of salt in sea water but no more. Mr. Lv says anything less than 40% salt content counts as “pure dry”. Mr. Gao wanted pure dry sea cucumbers.

[46] Dangan is a Mandarin term used in the Chinese sea cucumber industry. It was included in the Mandarin version of the sales contract at Mr. Gao's request. There is not a direct translation of the term in English.

[47] In her report, Jiayi (Joy) Mo, a certified Mandarin/English court interpreter in British Columbia, in dealing with the meaning of dangan stated:

[...] (pronounced as “dan” “gan” phonetically)

- I take issue with the translation of this term as “pure dry”. The term [...] consists of two Chinese characters [...] (pronounced as “dan”) and [...] (pronounced as “gan”). Based on my review, I did not find any direct translation in the target English language. So my next task becomes finding an English phrase that's equivalent to the Chinese term.

Again, [...] (“dan”) means light, watery, insipid or tasteless,

[...] (“gan”) means dry

-Based on the above and my understanding, I first came up with two possible translations of this term [...] – 1) lightly seasoned/salted or 2) unseasoned/unsalted,. Again, as the original text does not suggest any ingredient, it would be incorrect for me to add any such word. That brings me to the word “bland”. In my view, this word reflects the meaning of [...] (“dan”) , and I translate the term [...] as “bland dry”.

In my view, “pure dry” is a wrong translation of the term [...], there is no indication of “pure” in the original Chinese language and I believe adding the word “pure” is incorrect.

[48] Mr. Gao knew WTH had to add salt in its process to match the salinity of sea water. The long-term form of contract used by ASC and WTH, including sales contract SC-004, provided the shipment should be inspired by China Customs and meet the quality standards of China. The shipment met the quality standards of China and was described in the Chinese government's “manual” dealing with shipment SC-004 as “Lightly salted dried wild North Atlantic Sea Cucumber”.

[49] I find on the balance of probabilities that the term “dangan” refers to dried sea cucumber that are lightly salted and meet the quality standards prescribed by China. Shipment SC-004 contained “dangan” dried sea cucumber. WTH did not breach its contract with ASC.

[50] If I am wrong in determining that WTH did not breach its contract with ASC, I will consider ASC position if there was a breach of contact.

[51] Did ASC accept shipment SC-004?

[52] Section 37 of the *Sale of Goods Act*, R.S.N.S., 1989, c. 408, provides:

The buyer is deemed to have accepted the goods when the buyer intimates to the seller that he has accepted them, or when the goods have been delivered to him, and the buyer does any act in relation to them, which is inconsistent with the ownership of the seller, or when, after the lapse of a reasonable time, the buyer retains the goods without intimating to the seller that he has rejected them.

[53] In dealing with the issue of acceptance by conduct in *Saint John Tug Boat Co. Ltd. v. Irving Refining Ltd.*, [1964] S.C.R. 614, Ritchie J., in giving the Court's judgment stated at page 621:

The test of whether conduct, unaccompanied by any verbal or written undertaking, can constitute an acceptance of an offer so as to bind the acceptor to the fulfilment of the contract, is made the subject of comment in Anson on Contracts, 21st ed., p. 28, where it is said:

The test of such a contract is an objective and not a subjective one, that is to say, the intention which the law will attribute to a man is always that which his conduct bears when reasonably construed, and not that which was present in his own mind. So if A allows B to work for him under such circumstances that no reasonable man would suppose that B meant to do the work for nothing, A will be liable to pay for it. The doing of the work is the offer; the permission to do it, or the acquiescence in its being done, constitutes the acceptance.

[54] I find that ASC accepted shipment SC-004. It never returned the shipment to WTH even though Mr. Lv, on behalf of WTH, in May 2020 offered to take shipment SC-004 back and pay for the cost of the shipment's return. Instead, Mr. Gao stated for the return of shipment SC-004, ASC required a refund of the purchase price of shipments SC-002 and SC-003, which shipments would be returned to WTH, together with 10 percent of the price of all prior shipments. At the time shipments SC-002 and SC-003, although sold, were still in ASC's warehouse.

[55] ASC never rejected shipment SC-004. Mr. Gao testified he did not reject the shipment until it expired in March 2022. Other than Mr. Gao's statement, no evidence was adduced as to what happened to the shipment. I do not accept Mr. Gao's evidence as to what happened to the shipment. It may have expired or ASC may have sold it.

[56] Pursuant to Section 37 of the *Sale of Goods Act*, ASC is deemed to have accepted shipment SC-004. The shipment was received by ASC by April 28, 2020. By Mr. Gao's evidence, ASC retained the shipment even though WTH

offered to take the shipment back and pay for its return, an act inconsistent with the ownership of the seller WTH. Mr. Gao testified ASC retained the goods until at least March 2022, without intimating to WTH it had rejected the shipment. The period April 28, 2020 to March 2022 is, under the circumstances of this case, more than a lapse of a reasonable time.

[57] In addition viewing the actions of ASC, set out above, objectively I find ASC accepted shipment SC-004.

[58] WTH is entitled to damages from ASC for breach of the contract between them which would put it in the same position it would have been if ASC had performed its contractual obligation by paying the sum ASC had contracted to pay WTH that is \$986,256.75 U.S.

[59] In his report, Jules LeBlanc, the owner and operator of Ocean Pride Fisheries Limited, in answer to the question “What was the value of the dried sea cucumber sold to ASC by Weihai as of March 2020, taking into consideration the large volume required by ASC and provided by Weihai?” stated:

Between January and March 2020, the market for dry sea cucumber was bullish and selling volumes were fantastic. Our sales volume for that same period was 36,656 kgs of dry sea cucumber. After March 2020 the sales volumes collapsed, due to the negative effects Covid had specifically on the North American sea cucumber industry. The volume we sold between January and March 2020 represented 45% of total sales for the year.

Based on the purchase price noted in the contract I was provided, this price reflects appropriate value of the sea cucumber, and is in line with my internal assessment of costs and margins. I was selling to an intermediary for CAD\$83.00/kg FOB Factory (excludes transportation cost, price picked up at Ocean Pride), and this intermediary was then packing my dry sea cucumber into their branded bag and re-selling to Costco across Canada. Costco at the time was selling on the shelf for a range of \$143.00-\$165.00 per kilogram. Based on the date of the ASC/Weihai agreement, and the market expectations at that time, the price for this quantity was appropriate.

[60] WTH attempted to mitigate its damages by offering to take shipment SC-004 back and pay the cost of returning the shipment to it.

[61] ASC is to pay WTH damages in the amount of \$986,256.75 in United States funds or the equivalent in Canadian funds.

[62] If the parties are unable to agree, I will hear them on the issues of date for currency conversion, prejudgment interest and costs.

Coughlan, J.

Appendix

出口合同 SALES CONTRACT

合同号: SC-20LFJ004
日期: 2020年3月4日
签约地点 山东省荣成市

卖方:

The sellers: Weihai Taiwei Haiyang Aquatic Food Co., Ltd
ADD: NO. 298 Rongshan RD. Chengshan Town Rongcheng City,
Shandong China

买方:

The buyers: ATLANTIC SEA CUCUMBER LTD.
ADD: 212 PAUL'S POINT ROAD, HACKETTS COVE, NS CANADA B3Z 3K7
电话: +TEL: 902-823-9998

The Sellers and the Buyers have agreed to close the following transaction(s) according to the terms and conditions stipulated below:

1. 商品描述及成交方式

币制: 美元

NO.	商品名称、规格 Name of Materials	商品描述	数量 Quantity	单位 Unit	单价(USD) Unit Price	金额(USD) Value
1	淡干野生北大西洋海参 DRIED SEA CUCUMBER	拉丁文: CUCUMARIA FRONDOSA ORIGIN: CANADA, FOGO-A	3742.75	千克	65.00	243278.75
2	淡干野生北大西洋海参 DRIED SEA CUCUMBER	拉丁文: CUCUMARIA FRONDOSA ORIGIN: CANADA, QUIN-SEA	11601.75	千克	64.04	742978.00
PRICE TERM: CFR HALIFAX, CANADA			15344.5	千克		986256.75
Excess or deficiency of delivery not exceeding 10% allowed settlement on basis of counteracted price.						

2. 装运 Shipment:

装运日期装运口岸和目的港: 由中国海运至加拿大港口, 最晚不迟于2020年4月28日.

Time of delivery: The products must be delivered not later than Apr. 28, 2020. From Chinese port to Canadian PORT.

3. 装运条款: 允许分批, 允许转船.

Partial shipments allowed, transshipment allowed.

4. 付款条款:

Payment paid off by T/T 14 days before arrival

5. 装运唛头 N/M

Shipping Marks: N/M

6. 品质及数量检验: 产品质量应符合中国海关的检验标准。有任何质量问题, 买方应在货物到加工厂7天之内提出异议和索赔。

INSPECTION: Quality/Quantity should be inspected by China Customs and must meet the quality standards of China. Any quality problems should be raised within 7 days after goods arrival the buyer's factory.

7. 本合同一式二份, 甲乙双方各执一份为凭。

This Contract is made out in two original copies, one copy to be held by each party in witness thereof.

THE SELLERS: WEIHAI TAIWEI HAIYANG AQUATIC FOOD CO., LTD

THE BUYERS: ATLANTIC SEA CUCUMBER LTD.