

General terms and conditions of sales, delivery and services

A. General information

1. The following terms and conditions shall apply to all transactions, deliveries and services of JFY (Jiangsu Jinfangyuan CNC Machine Co., Ltd.) to the Customer. JFY contracts exclusively on the basis of these General Terms and Conditions of Sale, Delivery and Service. The Customer's own terms and conditions shall not become part of the contract even if JFY does not expressly object to them upon acceptance of the order.
2. There are no verbal ancillary agreements to concluded contracts. Subsidiary agreements and amendments to the contract must be in writing in order to be effective. This formal requirement may not be waived or set aside either orally or by implication.
3. The place of jurisdiction for all disputes between the Customer and JFY shall be the registered office of JFY, unless a different exclusive jurisdiction exists. JFY reserves the right to bring legal action at any other permissible place of jurisdiction.

B. Delivery/service time, delivery/service delays

1. The delivery/performance time results from the agreements between JFY and the Customer. It shall commence at the earliest from the time when all technical, commercial and financial matters have been mutually agreed and shall only be binding as a fixed date if this has been expressly agreed, otherwise the delivery time shall not be binding. Furthermore, a delivery date shall only be binding if the Customer has fulfilled all obligations incumbent upon him, such as special acts of cooperation, provision of materials or down payments. If this is not the case, the delivery/performance time shall be extended accordingly. In the event of changes to the scope of delivery/service which become necessary subsequently or which are requested by the Customer, the delivery/service period shall also be extended accordingly.
2. If a delay in delivery/service is due to unforeseeable circumstances for which JFY is not responsible, JFY shall not be liable for the delay; the delivery/service time shall be extended accordingly. JFY shall be released from its obligation to perform – in whole or, as far as possible, only in part – to the extent that the non-performance of contractual services by JFY is due to the occurrence of circumstances of force majeure after conclusion of the contract. Unforeseeable and unavoidable circumstances of force majeure shall in any case include war, attacks, strikes, disturbances of public order, storms, earthquakes, avalanches, mudslides and other natural disasters or similar events (in particular water ingress, fire, power failure and interruption or destruction of live/data lines), expropriation, attacks by third parties (e.g. unauthorized third-party access, DDOS attack or malware), , other circumstances of any kind for which JFY is

not responsible, as well as obstacles to performance due to amended laws, standards, international agreements or obligations.

Any epidemic/pandemic-related (including COVID-19) or other delivery and performance difficulties of any kind (in particular, but not limited to, delays due to private or public law orders, e.g. quarantine, bans, plant closures etc.), as well as any form of delivery and resource failures or shortages (including personnel resources), as well as any form of delivery and resource shortages or shortages (including staff resources), transport hindrances (e.g. blockage of transport routes, flight cancellations, container and packaging material shortages, and the like) shall also be deemed unforeseeable and/or unavoidable

3. If unforeseeable circumstances for which JFY is not responsible within the meaning of paragraph 2 make it difficult for JFY to fulfil the contract for an unforeseeable period of time or for a period of time which jeopardises the purpose of the contract and if the impediment to performance cannot be overcome by JFY at reasonable expense, JFY shall have the right to withdraw from the contract. In such cases, JFY shall be obliged to inform the Customer without undue delay of the circumstances impeding performance and, after exercising the right of withdrawal, to reimburse the Customer without undue delay for any consideration already received. Any claims of the Customer beyond the claims for reimbursement are excluded.

C. Terms of dispatch, payment terms, prices

1. Unless otherwise agreed, all invoices issued by JFY shall be payable within 14 days of receipt by the Customer without deduction to the account specified by JFY. The date on which the payment is credited to JFY's account shall be decisive for the timeliness of the payment.
2. JFY reserves the right to demand advance payment or a deposit from the Customer.
3. Prices are net and – unless otherwise agreed – ex works without packaging, without insurance and without loading. If delivery with shipment has been agreed, the prices shall be understood without unloading and without carrying or bringing in. Prices are based on the costs at the time of the price submission. Should the costs change up to the time of delivery, these changes shall be in favor of or at the expense of the Customer.

D. Reservation of title

1. JFY reserves the title to the object of the purchase contract, contract for work and materials or contract for work and services until complete fulfilment of all payment obligations - including for any additional ancillary services owed - under the respective contract.
2. The Customer may not sell, pledge or assign by way of security the item subject to reservation of title until all payment obligations have been met in full.
3. The Customer shall only be entitled to process or sell the goods in the ordinary course of business, but not to pledge or assign them by way of security, prior to the complete fulfillment of all payment obligations if it has recognizably ordered the goods as an integrator or other intermediary and as long as it is not in default of payment or there is

no reason to file for insolvency. The Customer hereby assigns to JFY in advance all claims against third parties arising from the processing or sale as security for JFY's claims for payment. This assignment shall apply regardless of whether the reserved goods have been sold without or after processing. Notwithstanding the assignment, the Customer shall remain entitled to collect the claim only to the extent that JFY will not collect the claim as long as the Customer is not in default of payment or a reason for filing for insolvency exists. The processing and combination of the reserved goods by the Customer shall take place exclusively for JFY. In the event of combination with other movable objects not belonging to JFY, JFY shall be entitled to co-ownership of the new object in the ratio of the acquisition values of the reserved goods and the other objects combined with them at the time of processing

4. In the event of seizure or confiscation or other dispositions by third parties, the Customer shall notify JFY thereof without delay and support JFY to the best of its ability in enforcing its claim of ownership.
5. In the event of breach of contract by the Customer, in particular in the event of default in payment, JFY shall be entitled to withdraw from the contract and to take back the item and the Customer shall be obliged to surrender it. In this case, JFY may, at its own discretion, demand that the Customer deliver the item to JFY's place of business at its own expense and risk or permit JFY to collect the item from the place of business. If JFY chooses to collect the item, the Customer shall allow JFY unhindered access to the site and access to the item for the duration of the uninstallation and collection and shall remove any obstacles to collection at its own expense. JFY may demand reimbursement from the Customer for the costs of uninstallation and collection in addition to compensation for other damages.

E. Claims due to defects (“warranty”)

1. Insofar as defects already exist in the object of purchase or in the work performance at the time of the transfer of risk, JFY shall only be liable in accordance with the following provisions, to the exclusion of further claims, but subject to liability for damages in accordance with Section E:
2. JFY shall, at its own discretion, remedy all defective parts of the subject matter of the contract free of charge or replace them free of defects ("subsequent performance", "improvement"). JFY shall choose the form of subsequent performance which is appropriate in view of the overall circumstances and proportionate with regard to the associated costs. In the event of a replacement delivery, the Customer shall pay JFY an appropriate usage fee for the use of the replaced original delivery item.
3. The place of performance for subsequent performance is the agreed destination of the subject matter of the contract. JFY reserves the right to carry out repair work, if necessary, at JFY's plant. JFY shall bear the expenses of the supplementary performance regularly including the costs of transport, travel, labor and materials (including the removal and installation or attachment, insofar as the subject matter of the contract was installed in or attached to another object in accordance with its type and its contractually intended use) up to the place of performance of the supplementary performance. In this respect, JFY shall be free to reduce the expenses of subsequent performance (including removal and installation or fitting) by carrying out all necessary work itself, insofar as this is reasonable for the Customer. JFY reserves the right to refuse subsequent performance or the expenses of subsequent performance insofar

as these are associated with disproportionate costs. If the subject matter of the contract has been taken by the Customer to a place other than the contractually agreed destination and if the expenses of subsequent performance increase as a result, the additional expenses shall be borne by the Customer on the basis of JFY's price list valid at the time of performance, which shall be handed over to the Customer on request. Insofar as additional costs incurred abroad are to be borne by the Customer, these shall be based on the charging rates applicable in the respective country

4. Claims for damages may only be asserted in accordance with Section E..
5. Normal wear and tear of components or tools (e.g. punching and bending tools, lenses, nozzles, output coupling mirrors, external beam guiding optics) within the scope of intended use shall not constitute grounds for warranty claims.
6. The assertion of warranty claims is excluded insofar as the defect is based on the fact that the Customer has not followed the installation or operator's manual, has failed to carry out the required maintenance of the subject matter of the contract or has carried out such maintenance contrary to the maintenance regulation (operator's manual). Within the scope of maintenance, only original JFY spare parts and consumables are to be used, otherwise all warranty/damage compensation claims will be forfeited.
7. In the case of the purchase of used goods, liability for defects is excluded, unless otherwise agreed
8. Claims of the Customer due to fraudulently concealed defects or due to a guarantee of quality or durability assumed by JFY shall always remain unaffected.

F. Liability for damages

Under no circumstances shall JFY be liable to your company for any loss of revenue or profits, loss of business, loss of opportunity, loss of use or production (including plant downtime and delays), loss of or damage to feed, raw materials or product, contractual damages, or penalties payable to third parties, punitive damages, product recall costs, in each case whether direct or indirect, or otherwise for any indirect or consequential loss or damage incurred by your company. The aggregate liability which arises out of or in connection with any after-sales business shall be limited to an amount equal to the order value.

G. Governing law

All disputes shall be governed by and construed in accordance with the Laws and Regulations of the People's Republic of China. All disputes arising out of or relating to this quotation shall be submitted to China International Economic and Trade Arbitration Commission ("CIETAC") Shanghai Sub-Commission for arbitration in Shanghai in accordance with the arbitration rules of CIETAC in effect at the time of the application for arbitration. The language of the arbitration shall be English. Any arbitration award will be final and binding upon both parties