

Terms and Conditions of Sale and Delivery

APPLICABLE, IF NOT SEPARATELY AGREED!

VERSION 251210.033

§ 1 PRICES

- All prices quoted in the quotation are net prices, plus value added tax, applicable on the day of delivery, ex works Lübeck, unpacked.
- Spare parts prices are deemed to be as of goods value of EUR/USD 100.00 – inclusive packing.
- For goods values below EUR/USD 100.00 we charge a handling fee of EUR/USD 20.00 per delivery.
- If not agreed otherwise, all our quotations shall be subject to the INCOTERMS 2020.

§ 2 PRICE VALIDITY

All prices and conditions listed in the quotation have a validity of 30 days from date of issue.

§ 3 CANCELLATION / AMENDMENT OF ORDERS

- In case of an order cancellation by the customer, which has not been caused by fault of the supplier, an additional handling fee of 15 % of the order volume becomes due for payment with respect to the already executed services.
- Subsequent order changes shall be offset against additional quotations and written orders of the customer and will only be executed after receipt of the orders.

§ 4 Dates of payment

- If not otherwise contractually agreed, the following payment terms shall apply:
 - For domestic customers payment terms of 14 days, net from the invoice date.
 - For foreign customers payment terms of 30 days, net from the invoice date.
- In the event of failure to comply with the contractually defined payment terms, default interest as from the first day of the payment term delay shall become payable on the total overdue invoice amount. Default interests shall not be offset against other claims. The interest amount is laid down in the invoice or the order confirmation, respectively.

§ 5 CONDITIONS OF PAYMENT

- If not otherwise contractually agreed, the following standard payment terms shall apply:
 - 30 % advance payment with receipt of the written order against a written invoice,
 - 70 % remaining payment against irrevocable Letter of Credit issued in our favor with a bank located in Germany, to be issued the latest 4 months prior the scheduled date of delivery with a term of at least 6 months after date of delivery,
 - 70 % remaining payment with receipt of the invoice prior to delivery of the goods.
- In case of a request for a letter of guarantee for the advance or interim payments to be made, either letter of guarantee of a first-class German Bank (E-Bond), a letter of guarantee issued by a first-class German Credit Insurance Company (E-Bond) or a transfer of ownership (assignment as security) can be placed.
- A letter of guarantee can only be issued for the contractually agreed net amounts.
- Wording of letters of guarantee requested by the customer can only be taken into account, if it is agreed before order is placed.

§ 6 TRAINING OF CUSTOMER PERSONNEL

- The training of customer personnel can be performed in our company during the test phase or during the machine / tool acceptance.
- The customer shall have to bear all expenses linked to the stay at our factory, like for example travel expenses on arrival and departure, accommodation or food expenses.
- The customer shall have to take care for adequate insurance protection of his posted personnel. Respective insurance evidence shall have to be provided without having been requested to do so prior to commencement of the travel.
- The customer shall have to take care at its own expense that the communication essential for the training can be performed in the German or the English language.

§ 7 SERVICE – INSTALLATION / TRAINING

- Services, which are not otherwise contractually agreed, or which exceed the contractually agreed service, will be invoiced according to additional costs.
- The number of man-days and the travel expenses forming part thereof stipulated in the quotation are to be regarded as guide values.
- The invoicing will take place based on the actual cost incurred and the performed working time. With respect to costs for general service application or other services please refer to separate quotations and price lists.

§ 8 TRAVEL ON ARRIVAL AND DEPARTURE

Air tickets will be booked in business class or a similar air ticket category with airlines of Star Alliance or its partners and railway tickets will be booked in first class.

§ 9 PRELIMINARY ACCEPTANCE OF MACHINES AND / OR TOOLS

- Acceptance and test runs should in all likelihood take place in our factory prior to delivery of the goods.
- The personnel responsible and authorized by the customer should participate at acceptance at a previously agreed date.
- The customer must take care at its own expense that the communication essential for the preliminary acceptance can be performed in the German or the English language.
- If the customer due to reasons caused by himself will not be present at preliminary acceptance or is unable to be present, the goods also without his inspection are deemed to have been preliminarily accepted and will be prepared and dispatched for delivery without any further customer inspection. In such case the preliminary acceptance is deemed to have been authorized, which unilaterally will be confirmed by the supplier in writing.

§ 10 ACCEPTANCE / START-UP WORK / OPERATION

- The machine is deemed to have been accepted, if an acceptance report or other documents defined in the contract have been signed.
- By signing an acceptance report the customer confirms the proper implementation and function of the goods (final acceptance).
- If the machine, machine parts or a tool will independently be operated by the customer or used for production purposes without a previously signed acceptance report, the complete machine or the tool is deemed to have been unconditionally accepted, also without the signing of a written acceptance report.
- In case of an independent operation or start-up work, which has not been contractually agreed beforehand, no claim for warranty exists on the side of the customer, and no claim for replacement or repairs exists. In such case the customer shall bear himself all risks, which might accrue due to the appropriate or inappropriate use and releases the supplier fundamentally from any claims arising here from.

§ 11 SOFTWARE LICENSES

The right of use acquired with the machine for any software licenses is timely unrestricted after the effected final acceptance, the payment of the total contractual amount and the activation. It ceases to exist automatically with the scrapping, the return of the machine or its components or with the sale to third parties.

§ 12 ONLINE ACCESS

- In order to facilitate the service the machines for the most part are equipped with hardware for an online access. The customer must guarantee the required network-technical conditions for a remote access via the Internet.
- The free access to controlling the machine by one of our service technicians must be guaranteed upon request at any time.
- If due to a missing online connection a service onsite should become necessary, which could have been avoided by way of an online service, the accruing costs shall have to be paid by the customer also in the warranty period.

§ 13 PROCESSING DATA COLLECTION

- The customer explicitly agrees that processing data will be stored for the control and inspection of functions and components, as well as piece number counters, error message and durations, and can be used for optimizing the processing safety and improvement of components, programs, and products of the supplier.
- A transmission of data to third parties shall be excluded by the supplier by referring to the applicable Data Protection Act. If requested, the customer will be provided with the data in its full extent.

§ 14 MARKETING

The supplier reserves the right to present the machines, single components and/or the tools with respect to marketing purposes and to disclose the customer names in lists of references.

§ 15 TEST MATERIAL, OPERATING MATERIALS / MATERIAL SPECIFICATIONS

- The test material required for general test runs, adjusting works and preliminary and final acceptance as well as other components and operating materials required for the testing of the machine, the machine parts and the tools must be provided by the customer on schedule, cost-neutral, in sufficient amount and the contractually agreed quality.
- In case of additional contractually agreed tests and production runs for the preliminary acceptance, the customer must provide in addition, as described above, test material.
- The provided test material and the operating materials must correspond to the specifications applied later in production. Provided quantities shall be agreed separately. If the customer changes during the project duration the material specifications or the specification of the operating materials, all alteration costs accrued thereby shall have to be paid by him.
- Any costs incurred for import duties, penalty tariffs, or customs clearance procedures for test material or the operating material are pre-paid by the supplier. Accounting will be done during finalizing the project. With payment of duty and import tax the ownership is transferred to the supplier.
- If the deliveries of machines or tools will be postponed caused by the customer due to late or non-deliveries of contractually agreed test material quantities or by inferior quality not contractually agreed, the customer shall be liable to pay interim payments, supplier or final installments according to the original agreed payment milestones. Unused or consumed test material can be returned at the expense of the customer. Any customs and delivery paperwork in this respect shall have to be provided by the customer.
- The request regarding return transport must be announced in writing with the supply of the material or the components and prior to handling of the import duty paperwork. The collection of the material must be organized by the customer at the latest 4 weeks after delivery of the machine or the tool. Should the material not be removed within this period, it is subject to scrap without any compensation.

§ 16 SAMPLE SHIPMENT

- Any sample shipment will be made exclusively based on the terms of delivery FCA Lübeck, Germany, packed.
- Costs for the internal and customs-related processing and the delivery will be invoiced separately, as required.

§ 17 LEAD TIME

- Lead times are approximate times. They shall be determined by the supplier with due care and shall be based on a normal production run. Unless otherwise agreed individually, the lead time shall not commence until all details relating to the order have been clarified in full. It shall be deemed to have been compiled with if, by the time of its expiry, the delivery item has left the factory or readiness for dispatch has been notified. Liability for delays is excluded unless the supplier has acted intentionally or with gross negligence.
- The lead time shall be reasonably extended in the event of unforeseen hindrances, in particular force majeure, which the supplier cannot avert despite

exercising reasonable care in the circumstances of the case, irrespective of whether they have arisen at the supplier itself or at one of its sub-suppliers. This includes, for example, operational disruptions, delays in the delivery of essential raw materials/materials, effects of labor disputes, pandemics, warlike events, etc. The extension of the lead time shall in particular consider the duration of the hindrance and a reasonable subsequent start-up time.

3. If the customer does not meet his contractually agreed payment obligations and / or other agreed services on time, the lead time is subject to delay accordingly. Any lead time postponement based on this shall be considered for the calculation of all contractually agreed dates as well as the amount of any default interest

4. If the customer causes a postponement of the originally agreed lead time, the payment obligations and the agreed payment dates shall remain valid without restriction. Necessary preliminary inspections, appraisals or other contractually agreed measures which are to be carried out before the delivery item is shipped shall be deemed to have been carried out in this case. Any necessary storage or interim storage of the delivery item shall be invoiced at cost.

§ 18 Warranty

1. The warranty period for the machines is basically 12 months without shifts limitation commencing with the date of the operation or the written acceptance.

2. In case the operation is delayed due to reasons, for which the supplier cannot be made responsible, the warranty period commences 4 weeks after effected delivery at the works of the customer.

3. Wearing parts as well as damages, which occur due to improper machine operation, are basically excluded from the warranty.

4. In case of an independent operation or start-up work, which was not contractually agreed beforehand, no claim for warranty exists on the side of the customer, or replacement at no charge or repairs.

5. If the customer executes unauthorized alterations on the goods, irrespective whether they are of mechanical, electrical or programmatic kind, the claim for warranty ceases to exist with immediate effect. Tools, wearing parts as well as other components encountered with production material shall be excluded from any warranty.

§ 19 EXPORT CLAUSE

The supplier is not liable to compensate losses of the customer or others arising from delayed delivery or lack of delivery due to legal or official export restrictions unless they have acted wilfully or grossly negligent. The same applies to damages incurred by the customer or third parties due to non-delivery or late delivery of replacement or component parts resulting from export restrictions. The customer's obligation to pay the agreed remuneration is unaffected by disruptions caused by export restrictions. The supplier is entitled to withdraw from the contract if disruptions due to export limitations occur after conclusion of the contract.

§ 20 IMPORT DIRECTIVES

According to directive (EU) 2016/670 dated 28. April 2016 and (EU) 2018/640 dated 25. April 2018 EU department demands data for statistical analysis for the import of goods shipped from countries outside the European Union. To prepare customs clearance for the goods mentioned under §15 customer is requested to send the following documents (in copy) 14 days prior to arrival of the goods to start the import application procedures at BAFA:

- Proforma invoice including packing list
- Purchase order or specification according to purchase order
- Certificate of origin

§ 21 DATA PRIVACY STATEMENT

As part of our business relationship, we also process personal information. Please inform yourself on the following page: <https://www.jsm-gmbh.com/jsm-privacy-policy.html>

§ 22 RETENTION OF TITLE

- We reserve the right of ownership of the delivered goods until all claims arising from the delivery contract have been paid in full. This also applies to all future deliveries, even if we do not always expressly refer to this. We are entitled to take back the goods if the customer behaves contrary to the contract.
- The customer is obliged to treat the goods with care as long as the ownership has not yet been transferred to him. In particular, he is obliged to insure them sufficiently at his own expense against theft, fire and water damage at replacement value. If maintenance and inspection work is necessary, the customer must carry this out in good time at his own expense. If ownership has not yet been transferred, the customer must inform the supplier immediately in writing if the delivered goods are seized or exposed to other interventions by third parties. Insofar as the third party is not able to reimburse us for the judicial and extrajudicial costs of a lawsuit pursuant to § 771 ZPO, the customer shall be liable for the loss incurred by us.
- The customer is not entitled to resell the goods subject to retention of title until full payment of the goods.

§ 23 STORAGE FEE

If goods are sold ex works / free carrier Lübeck Germany, they shall be collected by the customer at his own expense within 14 calendar days after notification of readiness for shipment. If this does not happen, a storage fee of EUR/USD 50,- per day or part thereof shall be charged from the 15th calendar day onwards.