General Terms and Conditions of Sale and Delivery (GTCSL)

Issued by: Zhejiang Deman Machine Co., Ltd.

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I. GENERAL SECTION

§ 1 Scope of Application

1.1. All offers, deliveries, and services (hereinafter "Deliveries") provided by Zhejiang Deman Machine Co., Ltd. ("DEMAN") to its business clients ("Client") shall be governed exclusively by these General Terms and Conditions of Sale and Delivery (GTCSL). These GTCSL shall also apply to all future business relations, even if not explicitly agreed upon again.

1.2. These GTCSL shall apply exclusively. Any conflicting or supplementary terms and conditions of the Client are hereby objected to and shall not become part of the contract unless DEMAN has given its explicit written consent.

§ 2 Offer and Conclusion of Contract

2.1. DEMAN's offers, catalogues, and other promotional materials are non-binding and subject to change unless explicitly designated as a binding offer.

2.2. A contract shall be formed solely upon DEMAN's issuance of a written order confirmation. The Client is deemed to agree to the content of the order confirmation if it does not object in writing without delay after receipt.

2.3. The Client is responsible for obtaining all necessary official permits, import/export licences, and approvals required for the execution of the Delivery. The Client must inform DEMAN in writing prior to the conclusion of the contract of any regulations that might impede contractual performance.

2.4. All drawings, cost estimates, plans, prototypes, and other documentation – including in electronic form – remain DEMAN's intellectual property and must be returned upon request. They may not be disclosed to third parties without DEMAN's prior written consent.

§ 3 Delivery Period and Delay

3.1. Agreed delivery and assembly periods are approximate only, unless explicitly agreed as binding. Adherence to delivery periods presupposes the Client's timely fulfilment of all its obligations, including the provision of documents, approvals, and agreed payments.

3.2. Delivery periods are extended in cases of force majeure or unforeseen obstacles beyond DEMAN's control (e.g., war, riots, epidemics, strikes, supply chain disruptions, official measures, travel warnings). The period shall be extended for the duration of the obstacle.

3.3. The delivery period is met if the goods are ready for dispatch and DEMAN has notified the Client of this by the expiry of the period. Partial and advanced deliveries are permitted and may be invoiced separately.

3.4. The Client's right to withdraw from the contract due to a delay in delivery is expressly excluded, unless such withdrawal is mutually agreed upon in writing by DEMAN.

3.5. In case of DEMAN's culpable delay, the parties expressly agree that the Client's exclusive and sole remedy shall be a contractual penalty as specified in the contract. The amount and calculation of this penalty shall be governed exclusively by the provisions set forth in the contract documents. This penalty represents full and final compensation for all losses arising from such delay to the exclusion of any other claims or remedies.

3.6. If the Client fails to accept the delivery, DEMAN may, after setting a grace period, withdraw from the contract, claim damages, and invoice the purchase price. DEMAN may store the goods at the Client's risk and expense.

3.7. All Client claims arising from delay, other than those specified herein, are excluded.

§ 4 Prices and Payment Terms

4.1. Prices are quoted "Ex Works" (EXW, INCOTERMS 2020) of the respective manufacturing plant, excluding packaging, loading, transport, insurance, taxes, duties, and levies, unless otherwise agreed in writing.

4.2. Price Adjustment: DEMAN is entitled to adjust prices if, after contract conclusion, unforeseeable cost increases occur (e.g., materials, wages, energy, freight) or due to changes in law. Prices may also be adjusted if changes in raw material or energy costs significantly increase the cost of manufacture.

4.3. For deliveries with assembly or services, the Client shall bear all ancillary costs, including travel time, travel costs, and per diems, according to DEMAN's current hourly rates and price lists.

4.4. Payment terms are as follows, unless otherwise agreed:

50% of the price upon order confirmation. 40% upon notification of readiness for shipment. The balance within 30 days of the transfer of risk.

4.5. Other invoices are due within 30 days. Default interest shall be charged at 9.2% above the ECB base rate.

4.6. In case of payment default or delay in providing agreed securities, all of DEMAN's claims become immediately due, and DEMAN may suspend its own performance, demand return of delivered items, or withdraw from the contract.

§ 5 Liability

5.1. DEMAN's liability shall be exclusively governed by the provisions of a contract. Any statutory liability claims by the Client are hereby excluded to the fullest extent permitted by applicable law.

5.2. DEMAN shall not be liable for personal injury, damage to the Client's property, or any other damages resulting from negligence.

5.3. The Client shall be solely liable for ensuring a safe working environment, providing adequate safety instructions to its personnel, and for any personal injury or damage to property caused by its employees, agents, or its failure to adhere to DEMAN's operating and safety instructions.

5.4. Liability for consequential damages, including but not limited to lost profit, production downtime, data loss, claims of third parties, and loss of use, is expressly excluded.

5.5. All claims for damages against DEMAN must be filed in a court of competent jurisdiction within one year from the date of the transfer of risk, after which they shall become time-barred.

§ 6 Retention of Title

6.1. The delivered item shall remain in the full ownership of DEMAN until all present and future claims against the Client arising from the business relationship have been settled in full. This extended retention of title shall also apply where claims are included in a running account.

6.2. In the event of payment default by the Client, DEMAN is expressly authorized to reclaim possession of the delivery item and to withhold further deliveries. The Client must notify DEMAN in writing at least thirty (30) days prior to submitting any application for default or similar relief in any judicial or administrative proceeding.

6.3. The Client is obligated to inform DEMAN without delay of any third-party seizure or other legal actions affecting the delivery item. The Client shall be required to immediately notify the enforcing party of DEMAN's retained title and to provide DEMAN with all necessary support in defending its ownership rights.

6.4. The Client is hereby granted the right to resell the delivery item in the ordinary course of its business. However, as security for DEMAN's claims, the Client hereby assigns to DEMAN all accounts receivable and associated rights deriving from such a resale. DEMAN accepts this assignment. The Client is obligated to inform its customer of this assignment in a legally effective manner and to provide DEMAN with the customer's details upon request. DEMAN is authorized to notify the sub-purchaser of the assignment and to collect the receivables directly.

6.5. The Client must store and maintain the delivery item with due care, ensure all scheduled maintenance is performed by qualified personnel at its own expense, and maintain adequate insurance coverage against common risks such as theft, fire, and water damage. The Client hereby assigns to DEMAN its insurance claims up to the value of the outstanding secured claims.

§ 7 Set-Off and Retention

The Client may only set off claims or exercise a right of retention if its counterclaims are legally res judicata, undisputed, and accepted in writing by DEMAN.

§ 8 Data Protection

DEMAN processes the Client's personal data in accordance with the applicable data protection laws (including the GDPR) for the purpose of contract execution and customer service. The Client has the rights of access, rectification, erasure, restriction, and objection.

§ 9 Final Provisions

9.1. The contract is governed by and construed in accordance with the laws of the People's Republic of China.

9.2. The exclusive place of jurisdiction for all disputes is the competent court at DEMAN's registered office in China. DEMAN is, however, also entitled to sue at the Client's place of jurisdiction.

9.3. Should any provision be invalid, the validity of the remaining provisions shall not be affected. The invalid provision shall be replaced by one that comes as close as possible to the commercial intent of the original.

II. SPECIAL PROVISIONS FOR MACHINERY

§ 10 Intellectual Property and Site Responsibility

10.1. All rights in tools, drawings, and plans prepared by DEMAN remain its exclusive property.

10.2. The Client confirms that provided layouts correspond to the actual site conditions and is liable for all consequences and costs resulting from deviations.

§ 11 Factory Acceptance Testing (FAT)

11.1. FAT requires express written agreement and occurs at DEMAN's premises during standard hours.

11.2. DEMAN will inform the Client, who may attend at its own cost. If the Client is absent, the FAT protocol signed by DEMAN is binding.

§ 12 Transfer of Risk, Packaging, and Transport

12.1. The risk passes to the Client as soon as the delivery is ready for dispatch from the works ("Ex Works", INCOTERMS 2020). This applies unconditionally, even if freight is paid by DEMAN or partial deliveries are made.

12.2. Packaging is charged separately, executed in a standard commercial manner, and will not be taken back.

12.3. The Client is responsible for arranging and insuring the transport. Complaints regarding transport must be raised directly with the carrier immediately upon receipt and documented, with DEMAN to be informed simultaneously.

§ 13 Assembly, Acceptance, and Cooperation

13.1. If assembly is agreed, the Client must, at its own cost, provide all necessary infrastructure, energy, labour, tools, and suitable rooms and facilities for DEMAN's personnel.

13.2. The Client must provide all necessary information about the site (e.g., location of concealed cables, static data) and ensure that all preparatory work is completed so that assembly can begin without interruption.

13.3. The Client must accept the delivery without undue delay after completion. Acceptance shall be deemed to have occurred: (i) if the Client puts the delivery into commercial use; (ii) 3 days after the departure of DEMAN's installation staff with simultaneous use; or (iii) if the Client unjustly refuses acceptance. Acceptance may not be refused due to minor defects.

13.4. Delays caused by the Client's failure to cooperate will result in the Client bearing all additional costs (e.g., for waiting time).

§ 14 Warranty for Material Defects

14.1. The Client must inspect the goods immediately upon receipt and report any obvious defects in writing without delay, at the latest, within 7 days of delivery. Hidden defects must be reported in writing immediately upon discovery, at the latest within 7 days of discovery and prior to the expiry of the warranty period.

14.2. The warranty period shall be twelve (12) months from the date of transfer of risk, unless otherwise expressly stipulated in the contract.

14.3. DEMAN's primary remedy is the right to subsequent improvement, at its discretion by repair or replacement. The Client must facilitate this and, upon request, return the defective goods at its own cost and risk.

14.4. If subsequent improvement fails, the Client may demand another subsequent improvement or a price reduction commensurate with the defect. The Client's right to withdraw from the contract due to a defect is expressly excluded unless such withdrawal is mutually agreed upon in writing by DEMAN.

14.5. Warranty for Used Machinery and Modifications: For used machinery, rebuilds, or modifications of third-party equipment, all warranty claims are excluded to the fullest extent permitted by law.

14.6. Warranty does not cover insignificant deviations, visual defects, natural wear and tear, or damages resulting from improper handling, storage, maintenance, or use by the Client or third parties.

14.7. Statute of Limitations: All warranty claims must be filed in court within one year of the transfer of risk, otherwise they become time-barred.

III. SPECIAL PROVISIONS FOR SOFTWARE

§ 15 Licence Grant

15.1. The Client receives a non-exclusive, perpetual right to use the delivered software on the designated equipment. These GTCSL prevail over any shrink-wrap agreements.

15.2. Sub-licensing, reverse engineering, decompiling, or disassembling the software is prohibited.

15.3. A single licence permits installation on one computer. For multiple licences, the Client must ensure the number of concurrent users does not exceed the number of licences acquired.

§ 16 Delivery and Audit

16.1. DEMAN delivers the software in machine-readable form. The source code is excluded from delivery.

16.2. DEMAN is entitled to audit the Client's licence use with 14 days' notice. The Client must cooperate.

§ 17 Warranty for Software

17.1. DEMAN warrants that the software conforms to its specifications but does not warrant uninterrupted, error-free operation.

17.2. For reported errors, DEMAN will, at its discretion, deliver an improved version, modify the software, or provide a workaround.

17.3. The warranty period is twelve (12) months from installation.

§ 18 Transfer and Intervention

18.1. Any transfer of the software to a third party must be notified to DEMAN immediately. The Client must then cease use and delete all copies.

18.2. DEMAN is entitled to intervene in and restrict software functionality if the Client breaches its payment obligations.

IV. SPECIAL PROVISIONS FOR MAINTENANCE

§ 19 Preconditions

19.1. Maintenance services require a separate written agreement which specifies the scope, response times, and service windows.

19.2. The Client shall provide DEMAN personnel with safe access to the equipment during normal business hours.

§ 20 Service Scope

20.1. Hotline Support: Telephonic support in English for installation and error clarification.

20.2. Remote Maintenance: Support via remote connection, subject to Client consent. Telecom costs are borne by the Client.

20.3. On-Site Service: Provided if remote resolution is impossible, invoiced at current hourly rates plus travel expenses.

§ 21 Exclusions

Maintenance does not cover:

a) Damage resulting from accident, neglect, misuse, or improper installation
b) Modifications made without DEMAN's written consent
c) Consumables and parts subject to normal wear and tear
d) Software maintenance unless specifically included in the agreement

§ 22 Emergency Services

22.1. Emergency services outside agreed service hours are available at DEMAN's current emergency rates.

22.2. Travel time and expenses for emergency calls are billed separately.

V. SPECIAL PROVISIONS FOR SPARE PARTS

§ 23 Warranty for Spare Parts

23.1. The warranty period for spare parts is 6 months from delivery.

23.2. For spare parts installed by the Client, warranty claims are only valid if the installation was carried out by qualified personnel and in accordance with DEMAN's specifications.

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23.3. The warranty for spare parts does not extend to wear and tear parts, which are explicitly listed in the associated documentation.

§ 24 Return of Spare Parts

24.1. Returns of spare parts require prior written authorization from DEMAN.

24.2. A restocking fee of 20% will be charged on all returned items, unless the return is due to a proven defect for which DEMAN is responsible.

24.3. Custom-manufactured or specially ordered spare parts cannot be returned.

VII. SPECIAL PROVISIONS FOR TRAINING SERVICES

§ 25 Training Delivery

25.1. All training services provided by DEMAN are subject to the terms and conditions outlined in training agreement, unless otherwise expressly stipulated in a separate training addendum of a contract signed by both Parties.

25.2. Training sessions shall be conducted either at DEMAN's designated facilities or at the Client's site, as mutually agreed by the Parties and specified in the relevant order confirmation or training schedule.

25.3. For on-site training conducted at the Client's premises, the Client shall provide, at its own expense, adequate training facilities, equipment, and a suitable working environment as specified by DEMAN for the effective delivery of the training.

25.4. The training fee shall be as stipulated in the contract, order confirmation, or associated price list. In the absence of a specific agreed-upon fee, DEMAN's standard list price for the respective training service at the time of order shall apply.

§ 26 Cancellation and Changes

26.1. Training sessions may be rescheduled with at least 15 business days' notice without charge.

26.2. Cancellations with less than 15 business days' notice are subject to 50% of the training fee.

26.3. Cancellations with less than 5 business days' notice are subject to 100% of the training fee.