



## § 1 Applicability

1. These General Conditions of Sale and Delivery are specifically incorporated in and made a part of the *purchase order(s)* out of which the sale of goods and/or services (both hereinafter referred to as "Goods") is/are made by and between **FFT Production Systems, Inc.** and/or any of its associated entities (hereinafter referred to either individually or jointly as "Seller") and the purchaser of the Good(s) (hereinafter referred to as "Buyer")
2. Legal relationships between the Seller and Buyer are to be governed solely by the following terms and conditions. Any deviations, modifications or amendments to these terms and conditions, including amendments to this requirement for the written form, are to be made in writing. Any conditions provided in a purchase order issued by Buyer which are contradictory or supplementary to, or which deviate from these conditions, will not apply unless Buyer has received the Seller's express, written approval. The commencement and/or execution of deliveries and services and/or receipt of payments without a written purchase order shall in no case imply that terms and conditions of Buyer are accepted.
3. As far as future commercial business is involved, these General Terms of Sale and Delivery are also to be applicable to any and all future transactions between the Seller and the Buyer, even if, in the individual case, no express purchase order, contract and/or reference has been made to these General Terms of Sale and Delivery.

## § 2 Quotation and Documents with Quotation

Verbal offers are always subject to written confirmation; for a contract or purchase order to become binding, written confirmation is required. Unless otherwise expressly stipulated in the quotation, the quotation is valid only for a period of 30 days following submission of the quotation. Any details and information included in the documents accompanying the quotation, such as technical descriptions, drawings, diagrams, data, programs and performance figures of the Contractor, are preliminary in nature and shall not be relied upon. Any information submitted in the quotation and related documents is the exclusive proprietary property and intellectual property of the Seller only. The recipient must not use it for any purpose other than issuing a purchase order. The recipient of the quotation is, during the offer/quotation phase, to check any information included in the documents accompanying the quotation to ascertain its feasibility for the proposed project. Should there be any discrepancies, the Seller is to be notified within 10 days of receipt of the documents accompanying the quotation; otherwise, the Buyer is to be responsible for any defects and deviations in the Good(s) occurring as a result.

## § 3 Conclusion of Contract, Written Form

No declaration by the Buyer of its intention to enter into a contract will be considered valid unless submitted in writing. Verbal statements will not become effective until they have been confirmed in writing by the Seller. Any and all additional agreements and amendments to a purchase order and/or contract must also be made in writing. A purchase order and/or contract issued by the Buyer which deviates from the Seller's quotation shall be deemed a counteroffer. Under no circumstances will silence to a counteroffer on the part of the Seller constitute consent to the counteroffer. Seller must provide written confirmation of Buyer's counteroffer for it to form an enforceable contract / purchase order.

## § 4 Delivery and Transfer of Risk

Delivery shall be FOB Seller's place of business unless stated otherwise in the purchase order. Shipping, delivery and performance dates are estimates only and time is not of the essence. Seller shall have the right to determine the method shipment and routing for Goods and Buyer shall be responsible for any insurance, fees and applicable taxes.

## § 5 Retention of Title, Security Interest

1. The Good(s) will remain the property of the Seller until any and all of the Buyer's outstanding invoices arising from the purchase order(s) for said Good(s) have been paid and settled in full.
2. Buyer, as security for payment of all amounts owing or which may hereafter be owing to Seller by the Buyer and for the observation and performance of all other obligations of the Buyer to Seller, Buyer hereby grants to Seller a security interest, including without limitation, a purchase money security interest, in all Goods sold to Buyer by Seller, including all Goods intended to be sold hereunder, now or in the future, together with all parts, accessories, attachments thereto and substitutions therefor, and all proceeds in whatever form, or any sale, transfer of or other disposition of the Goods sold to Buyer and all money or property that the Buyer received in replacement of or exchange for such Goods, including insurance monies, all of which shall be received and held by Buyer in trust for Seller and paid over to Seller promptly upon receipt.

Seller is authorized without prior notice to Buyer, to file UCC financing statement(s) with the proper authorities or take such other actions as Seller deems necessary to perfect its security interest hereunder. Buyer may not pledge or assign as security the Goods delivered by Seller. Buyer shall notify Seller immediately in the event of attachment, confiscation or other acquisition of the Goods by a third party. Buyer agrees and hereby appoints Seller as attorney-in-fact to perform all acts that Seller deems necessary to perfect and continue to perfect its security interest. Buyer shall reimburse Seller on demand for all attorney fees, legal expenses and other expenses that Seller

incurs in protecting and enforcing its rights pursuant hereto. Seller shall have a right to obtain any and all remedies provided for in the UCC.

## § 6 Tools

1. Any auxiliary models, tools, dies, models, moulds etc. (hereinafter referred to as "Tools") produced by the Seller whilst completing the contractually agreed work do not constitute an integral part of the work performance and will remain the property of the Seller.
2. The Seller will store the Tools for a period of six (6) months following acceptance of the Goods by the Buyer without acknowledging any legal obligation in this respect.
3. Upon expiration of this term, and unless arrangements have been made by the Seller and the Buyer for the Tools to be stored for a further period or for the Buyer to purchase the Tools, the Contractor will scrap the Tools.

## § 7 Periods of Delivery and Delays

1. In order for delivery deadlines to be met, it is essential that any and all documents to be supplied by the Buyer, necessary permits and releases, especially those relating to plans, are received in good time, and that the Buyer adheres to the agreed terms of payment and fulfills any other obligations it might have. Should these conditions not be complied with, the delivery periods will be extended appropriately..
2. As provided for in §4, unless directly stated otherwise in the purchase order, time is not of the essence and delivery/performance dates are estimates only.

## § 8 Force Majeure

Acts of God of any type, in particular unforeseeable shortages of labour, energy, raw or auxiliary materials, strikes, lockouts, official measures or other obstacles not caused by the Seller and/or Buyer, which will delay, prevent, or render unreasonable the production, shipment, or approval of the Good(s), will release the parties hereto from their obligation to deliver or approve the Goods for the duration and extent of the disturbance. If, as a result of the disruption, delivery and/or approval is delayed by more than eight weeks, then both parties will be entitled to withdraw from the contract.

## § 9 Price, Payment, Adequate Assurance

1. Prices quoted in the quotation are exclusively for the Good(s) to be sold ex works, and do not include any incidentals such as statutory value added tax, sales tax or any other tax, packaging, customs duties, freight, insurance, etc. Unless otherwise stated in the purchase order or contract, payment shall be due immediately upon Buyer's receipt of invoice.
2. The Seller will be entitled to use any payments received from the Buyer to first settle any previous debts costs and interest owed by Buyer before applying said payment(s) to the most recent invoice(s).
3. If any reasonably justified doubt should arise as to the Buyer's solvency, the Seller may request "adequate assurance" be provided that Buyer is solvent and can adhere to the terms of the purchase order and/or contract. If adequate assurance cannot be provided by Buyer, the Seller may void the purchase order and/or contract and be entitled to immediate payment for any and all costs already incurred under the purchase order and/or contract.

## § 10 Acceptance

Insofar as the type of service and or Good(s) provided by Seller calls for an approval test, this test must be carried out by Buyer without undue delay, who is to draw up a written test report. Should no test be required for the Good(s)/service or the Buyer fails to test and/or approve the Good(s)/service, then, within 14 days of notice of completion of service and/or the date of delivery of the Good(s), the service and/or Good(s) will be considered to have been duly approved and accepted, provided that during this period there has been no written complaint provided to Seller of any defect which would impede acceptance. A partial approval test may, in accordance with the above mentioned provisions, be requested for independent partial performances.

## § 11 Limited Warranty

1. All Goods carry a limited warranty lasting twelve (12) months starting from the date of delivery of the Goods purchased by the Buyer.
2. The limited warranty only covers defects in materials or workmanship and violation of third party intellectual property rights and excludes (i) normal wear and tear or environmental conditions, (ii) misuse, abuse, neglect, accidents, collision, fire, theft, freezing, vandalism or outside objects striking the Good(s), (iii) altering, dissembling or modifying the Good(s) or any of its parts, (iv) adding non-Seller approved components to the Good(s), (v) defects caused by or induced by failures, breakdowns or damage by other machines in the same facility and (vi) acts of God, natural disasters and other similar causes.
3. As Buyer's sole and exclusive remedy for breach of the limited warranty described above, Seller shall, at Seller's sole discretion, either re-

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perform the services it provided, repair the Good(s) and/or replace the Good(s). In no case will a refund be issued for Good(s) covered by the limited warranty.

## § 12 Infringement of Third Party Property Rights

1. Unless otherwise agreed, the Seller shall deliver the Goods free from violation of intellectual property rights and copyrights of third parties (hereinafter referred to as "Property Rights") solely in the country of the place of delivery. Should any third party initiate a legitimate claim against the Buyer for the Goods infringement of Property Rights, then the Seller will be liable to the Buyer within the period stipulated in § 11, as follows:

The Seller will have the option, at its own expense, of acquiring the right to use the Property Rights to the Good(s) concerned, or so modifying them that there is no infringement of Property Rights, or replacing them. The Contractor's liability to pay damages is limited in accordance with § 14 herein.

2. The duties of the Seller described above will be applicable only insofar as the Buyer notifies the Contractor in writing and without undue delay of any claims asserted by third parties.

3. Should the Buyer itself be responsible for the infringement of Property Rights resulting from Seller manufacturing the Goods to Buyer's specifications, then any claims Buyer might have will be excluded. Furthermore, Buyer shall indemnify and hold Seller harmless with respect to all damages and costs that Seller incurs as a result of Seller manufacturing the Goods to Seller's specifications.

## § 13 Written Notification of Warranty Claim or Infringement

Any and all notifications for a warranty or infringement claim must be made by Buyer in writing to Seller prior to end of the deadlines provided for in §11. Once the warranty period in §11 has lapsed for a particular Good, Seller shall no longer be liable for said Good. There shall be no extension of the warranty period unless both parties agree to an extension in writing.

## § 14 Limitations/Exclusion of Liability

1. EXCEPT AS PROVIDED FOR IN §11, SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE GOODS, WHETHER NEW OR USED, AND IN PARTICULAR MAKES NO WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND BUYER IS SOLELY RESPONSIBLE FOR DETERMINING THE PROPER APPLICATION AND USE OF THE GOODS. SELLER SHALL HAVE NO TORT LIABILITY TO BUYER WITH RESPECT TO ANY OF THE GOODS AND SHALL NOT BE LIABLE FOR CONSEQUENTIAL, PUNITIVE, SPECIAL OR INCIDENTAL DAMAGES ARISING FROM ANY DEFECT, DELAY, NON-DELIVERY, RECALL OR OTHER BREACH. BUYER SHALL HAVE NO RIGHT OF REJECTION OR REVOCATION AFTER ACCEPTANCE OF THE GOODS.

2. SELLER'S LIABILITY FOR ANY CAUSE OF ACTION, OF WHATEVER KIND AND NATURE, SHALL NOT EXCEED, AND BE LIMITED TO, THE AMOUNT OF MONEY ALREADY PAID BY BUYER UNDER THE PURCHASE ORDER OUT OF WHICH THE LIABILITY AROSE.

3. Claims for damages for any loss of stored data are excluded if such damage would not have occurred had a data backup been duly performed.

## § 15 Impossibility

In cases where the Seller could neither know of, nor be required to know of, the impossibility of delivery of Goods when the purchase order was issued, the Seller will not be held accountable.

## § 16 Permits and Compliance

Seller is not responsible for obtaining any permits, inspections or licenses required for delivery, installation or operation of the Goods. Seller makes no promise or representation that the Goods will conform to any federal, state, local or foreign laws, ordinances, regulations, codes or standards unless specifically stated in the purchase order.

## § 17 Inventions

1. In the event of any new inventions which might lead to Property Rights arising as a result of one party's employees and/or agents exclusively procuring and making said invention without the assistance of the other party pursuant to the contractually agreed work, then said party will be entitled to said Property Rights and to register such Property Rights. The parties will inform each other of any inventions they are recording or applications for Property Rights they are planning.

2. If, in the context of the contractually agreed work, inventions are made in which the employees or agents of both Seller and Buyer are involved (hereinafter referred to as "Joint Inventions"), then separate arrangements will be made in each individual case to decide who is to register any Property Rights, and where. Registration may also be made jointly, in which case each

party will bear the proportion of the costs commensurate with its share in the invention. In the event of Joint Inventions or joint Property Rights and/or copyrights, each party is entitled, at any time, to waive its share in favor of the other party. The party waiving such rights will, in a timely manner, make any provisions and arrangements necessary to enable the other party to protect its interests.

3. Should one party intend to relinquish one of its Property Rights as provided in paragraph 1 or 2, or transfer its Property Rights to a third party then it must inform the other party of this intention without delay. The other party will be entitled either to acquire these Property Rights free of charge.

## § 18 Confidentiality

Buyer shall not disclose or use any of Seller's information about Seller's business, operations or activities, except to the extent necessary for Buyer to use the Goods. Buyer agrees that such information is confidential and proprietary and that Buyer's employees and subcontractors will be bound by this confidentiality requirement. Buyer shall not use or incorporate into any other product any of Seller's logos, trademarks, trade names or part numbers.

## § 19 Assignment of Rights and Duties

Any assignment of Buyer's rights and duties arising from the purchase order and/or contract will not become effective without Buyer first obtaining the written approval of the Seller.

## § 20 Applicable Law , Interpretation of Clauses

1. The purchase order and/or contract by and between Seller and Buyer, along with these terms and conditions, shall be exclusively governed by and interpreted in accordance with the laws of the State of South Carolina, without reference to its conflict of law rules and exclude the UN Convention on Contracts for the International Sale of Goods and the conflict of law rules of international law.

2. Standard commercial clauses are to be interpreted in line with the Incoterms 2020.

3. Buyer assumes the customs and import duties of the destination country and all other fees, taxes and costs in connection with the purchase contract.

## § 21 Place of Performance and Court of Jurisdiction; Validity Clause

1. The place of performance for delivery is to be the dispatch office; for payment Greer, South Carolina.

2. Any action arising out of or relating to the purchase order and/or contract by and between Seller and Buyer shall exclusively be brought in any state or federal court in, or having jurisdiction over, Greer, South Carolina.

3. Should all or part of any individual clause in these General terms of Sale and Delivery prove to be legally invalid, this will not affect the validity of the remaining clauses or parts thereof. The parties are to replace any invalid provision by one which is valid and comes closest to the economic purpose of that of the invalid provision.