

General Terms and Conditions of Sales, Payment and Delivery

1 General principles

1.1 All deliveries, services and quotations of Ningbo Vormag Electronics Co., Ltd. (hereinafter referred to as: the Seller) is provided solely subject to these General Terms and Conditions. They form an integral part of all contracts between the Seller and its contractual partner (hereinafter referred to as: the Buyer). The goods or services provided by the Seller. They also apply to all future deliveries, services or quotations to the Buyer.

1.2 Any deviation from the regulations requires written confirmation from the Seller. The terms and conditions of the Buyer or third parties do not apply even if the Seller does not individually object to their validity in the individual case.

2 Validity

2.1 All deliveries, services and offers from our customers are made exclusively on the basis of these General conditions of sale and delivery. These are part of all contracts that we conclude with our customers regarding the orders or services we offer. They also apply to all future deliveries, services or offers to the Buyer, even if they are not separately agreed again.

3 Quotations and Prices

3.1 Seller's quotations are in any case without any obligation and should be understood only as an invitation to submit a quotation. Acceptance of an order shall be effected by written order confirmation or execution of the order.

3.2 All Seller's quotes are subject to change.

3.3 The agreed price is a fixed price and does not include any form of additional requirements.

4 Orders prices, the rights of the purchaser to withdrawal, variation

4.1 Seller's price will be agreed in writing with each customer. The prices set out in the written order confirmation are binding on the relevant order. Unless otherwise agreed in writing, prices include standard packaging.

4.2 Only orders placed in writing are legally binding. Orders placed verbally or by telephone require our subsequent written confirmation to be legally valid. The same applies to verbal additional agreements and changes to the contract.

4.3 By ordering, the Buyer enters into a binding contract. The Seller is entitled to accept the contractual offer contained in the order by means of a written order confirmation within 7 calendar days.

4.4 Any additional agreements and subsequent amendments and/or statements of any kind made or agreed to by the Seller shall only apply if confirmed in writing by the Seller. No other oral agreement has been entered into between the Seller and the Buyer. Any deviation from this writing requirement must also be in writing.

4.5 The Buyer reserves the right to change the time, location and type of packaging at any time upon written notice at least 10 calendar days prior to the agreed delivery date and Buyer shall bear the additional cost of such changes.

4.6 Product specification changes must be proposed within at least 2 calendar days after order confirmation and can be implemented within the framework of the Seller's normal production process without additional efforts, otherwise the Buyer will need to bear additional costs incurred due to product specification changes. If changes occur, the original delivery date will be postponed accordingly. the Seller will re-provide delivery dates and notify Buyer in writing.

4.7 If the Buyer is no longer able to use the ordered products in its business activities due to circumstances that occur after the contract is signed, the Buyer is obliged to terminate the contract in writing and explain the reasons. In this case, the Buyer will reimburse the Seller all or part of the cost of the products offered.

4.8 If the cost of raw materials, production or transportation increases significantly by more than 10% after the contract is signed, the Seller has the right to demand the contract price renegotiate. If the parties are unable to reach an agreement within 30 days from the date of renegotiation, both parties shall be entitled to withdraw from their delivery obligations for quantities of goods that have not been produced and delivered to date, excluding any further compensation.

5 Payment conditions

5.1 Payment terms are agreed in writing with the Buyer at the beginning of the business relationship.

- 5.2 Purchase prices are net in Euros or US dollars, unless another currency is agreed with the Buyer.
- 5.3 Unless otherwise stated in writing, the Seller's prices do not include VAT.
- 5.4 Unless otherwise agreed in individual cases, the Buyer is obliged to pay the agreed purchase price in full. In particular, the Buyer shall not be entitled to discounts or other deductions from the purchase price unless otherwise agreed in writing with the Seller. Any deviations from the agreed payment terms shall only apply if expressly stated by the Seller in the written order confirmation or otherwise confirmed in writing in advance.
- 5.5 Payment by the Buyer is deemed to have been made when the Buyer pays in accordance with the payment information stated on the invoice. If payment is made by bank transfer, payment is deemed to have been made when the payment has been irrevocably deposited into the Seller's bank account.
- 5.6 The Buyer shall be deemed to be in default if he fails to pay within the payment period specified in the agreed payment terms or, in the absence of such agreement, within the payment period specified in the invoice. The Seller expressly reserves the right to claim compensation in addition to breach of contract interest, e.g. losses resulting from breach of contract due to negligence on the part of the Customer. The Seller is also entitled to charge collection fees and judicial claim recovery fees from the Buyer. Furthermore, in the event of late payment, the Seller can withhold further deliveries and services and require adequate collateral for its receivables. The right to claim further compensation for delays is reserved.
- 5.7 For orders with an invoice amount below €500, bank charges per order are borne by the Buyer.

6 Passing of the Risk, Shipment

- 6.1 Unless otherwise stated, the place of performance of all obligations arising from the contractual relationship is the registered office of the Seller.
- 6.2 Additional charges due to Buyer's special shipping requirements are the Buyer's responsibility. The same applies to any increase in freight that occurs after the contract is signed, any additional costs due to rerouting, storage fees, etc., unless otherwise agreed.
- 6.3 Risk shall pass to the Buyer at the latest upon handover of the delivered items (in connection with the start of the loading process) to the freight forwarder, carrier or other third party designated for shipment. This also applies if a partial delivery is made or if the seller undertakes other services (such as transport or installation). If shipment is delayed due to circumstances beyond the Seller's responsibility, the risk shall pass to the Buyer from the date the delivered items are ready for shipment and Seller notifies Buyer.

7 Dispatch, Delivery time, and Acceptance

- 7.1 Unless otherwise expressly agreed, delivery shall be made by the Seller.
- 7.2 Delivery dates specified in a written order confirmation do not constitute a fixed term transaction unless expressly agreed to by the Seller in writing. All delivery deadlines are calculated from the date of written agreement regarding all details of the order, but no earlier than the mailing date of the order confirmation.
- 7.3 The Seller is entitled to partial delivery of goods ordered by the Buyer, provided that this is reasonable for the Buyer.
- 7.4 Seller assumes no risk of purchase. Therefore, if, despite a previous corresponding purchase agreement, raw materials from the supplier are not received or are delayed, the Seller is entitled to adjust the specified delivery times accordingly.
- 7.5 Timely delivery cannot be guaranteed due to unforeseen technical defects in the production of the contracted or ordered goods. If the goods ordered cannot be supplied in a timely manner, the Seller will notify the Buyer immediately.
- 7.6 The Buyer may make a claim for losses caused by late or non-delivery only if the Seller is intentional or grossly negligent. The burden of proof to prove intentionality or gross negligence on the part of the Seller lies with the Buyer.
- 7.7 If despatch is delayed at the wish of the purchaser or fails to provide the necessary cooperation to deliver the goods he will be charged for the cost of storage beginning one month after indication of readiness for despatch, for storage at the supplier's factory however at least 1/2 of 1% of the invoiced amount for each month. The supplier however is entitled after setting a suitable period and its fruitless expiry to make other use of the object being supplied and to supply the purchaser over a suitable extended period.
- 7.8 The Buyer bears the risk of accidental destruction, damage or other loss of value of the ordered goods from the time of delay in receipt of the goods. In these cases, the Seller is only liable due to intent or gross negligence. The burden of proof to prove intentionality or gross negligence on the part of the Seller lies with the Buyer.

7.9 Quantity errors inevitably occur during the production of ordered goods due to technical or specification-related reasons, and the Buyer expressly agrees that the Seller is entitled to overpay or underpay up to 10% of the delivery quantity. This quantity tolerance refers to the total quantity of the order in the order confirmation, that is, the sum of each item in this order confirmation.

7.10 If delivery is delayed due to a force majeure event involving the Seller, its suppliers or other companies engaged by the Seller for the performance of the Contract, or other extraordinary circumstances not caused by the Seller, if a significant operational disruption occurs or the delivery is unreasonable If the Seller Unable to produce or ship the goods, delivery times will be extended for a reasonable period, at least until the end of the events described above.

Force majeure refers to circumstances beyond the reasonable control of the seller, including (but not limited to):

War, act of war, hostilities (whether war is declared or not), invasion, incursion by enemy forces, acts of hostile forces, states or enemies;

b) Riots, uprisings against existing state power, riots, and chaos; c) Laws or actions by governments, officials or courts that prevent, impede, prevent, interrupt or impair the ability to perform this Agreement, the delivery and/or supply and/or distribution of raw materials and/or energy and/or other resources required by this Agreement of;

d) Flood, fire, arson, storm, lightning, thunderstorm, hurricane, accident;

e) Epidemics, diseases, earthquakes, landslides, avalanches, acts of terrorism, kidnapping, sabotage, vandalism and other criminal acts causing damage; f) Damage to any equipment, machinery, basic materials or property, scarcity of resources and energy; g) Death, injury or illness of key personnel.

8 Delivery Inspection Obligations, Special Packages

8.1 Delivered goods shall be carefully inspected immediately upon delivery to the Buyer or a third party designated by the Buyer. If the Seller does not receive written notice of a defect within 10 days after delivery and the defect is obvious or capable of immediate careful inspection, the Buyer shall be deemed to have accepted the defect.

8.2 For other defects, if the Buyer fails to give notice of the defect, the Buyer shall be deemed to have acknowledged the defect. Defect notifications should be submitted in text form with all supporting documentation attached.

8.3 Customer must report any shipping damage to the carrier before accepting shipment. Shipping complaints will only be accepted if the discovered shipping damage is noted on the waybill and the document is signed by the carrier.

8.4 Only packaging requirements put forward by customers before the order is signed will be considered, otherwise we will reserve the right to use the default packaging method without prior notice to the buyer.

8.5 Additional costs incurred for special packaging shall be borne by the buyer, and the buyer shall not change the packaging after confirming the packaging requirements.

8.6 It is the buyer's responsibility to put packaging requirements in writing at the time of signing each order. Seller will not assume that packaging requirements for current orders will be the same as packaging requirements for future or historical orders.

9 Warranty, Liability, Compensation

9.1 Within 3 months after the delivery of the goods, if the seller does not make a written complaint during this period, the buyer will be deemed to have accepted the product. Seller assumes that all products delivered will conform to specifications. We will also accept complaints for more than 3 months, but due to the long time, buyers who cannot solve the problem will not bear any responsibility.

9.2 The warranty period is 3 months after delivery. No warranty is taken on for damage which occurs due to the following reasons; unsuitable or improper use, incorrect fitting or incorrect repair by the purchaser or by a third party, natural wear and tear, incorrect or negligent treatment, unsuitable operating materials, replacement materials defective construction work, unsuitable construction site, chemical, electro-chemical or electrical effects for which the blame cannot be attributed to the supplier.

9.3 If a delivered item contains a material defect, The discovery of such defects is to be reported to the supplier in writing without delay. the Seller is first obliged and entitled to repair the defect itself within a reasonable time or to replace the delivered goods. In the event of failure, i.e. the failure, unreasonableness, refusal or unreasonable delay in providing repair or replacement, the Buyer may reasonably reduce the purchase price, at the most 5% of the value of that part of the total delivery.

9.4 Replaced parts become the property of the supplier.

9.5 The Buyer shall give the Seller sufficient time and opportunity to perform any additional performance obligations that the Seller deems necessary in its fair judgment.

10 Technical consultation

10.1 Any oral, written and tested technical application advice provided by the Seller shall be provided to the best of the Seller's knowledge, but shall be deemed to be non-binding advice only, shall not involve any third party property rights, and shall not be claimed by the Buyer.

10.2 The application and use of the items delivered are beyond the control of the Seller and are therefore solely the responsibility of the Buyer.

10.3 It is the Buyer's responsibility to check that the products supplied by the Seller are suitable for the intended process and use.

10.4 If the Buyer does not provide clear written instructions, the Seller's product delivery quality standards will be implemented in accordance with the latest version of the relevant quality standards promulgated by our country, which are currently as follows:

Sintered neodymium iron boron permanent magnets: GBT13560-2017

Coatings for sintered neodymium iron boron permanent magnets: GB/T 34491-2017

2:17 SmCo Permanent magnetic material: XB/T 507-2009

Specification for Al-Ni-Co permanent magnetic(magnetically hard)alloys: JB/T 8146-2014

11 The Seller's Properties and Rights, Third Person Intellectual Properties

11.1 the Seller retains any and all proprietary rights, copyrights and rights in and to samples, quotations, drawings and similar information (whether tangible or intangible, including electronic form) and documents and tools (including but not limited to tools) produced by Supplier. ownership. Intellectual property, jigs and fixtures or software and its documentation.

Communication or transfer of such items or rights to third parties requires the prior written consent of the the Seller.

11.2 If the the Seller is required to perform pursuant to Buyer's drawings, models or samples or to use parts provided by the Buyer, the Buyer shall be liable to the Seller that this shall not result in an infringement of intellectual property rights of third persons. The Buyer shall hold the Seller harmless from third persons' claims relating to the infringement of intellectual property rights and shall indemnify the Seller for all actual damages and reimburse to Seller all cost and expenses. If a third person prohibits the customer to manufacture or deliver due to an intellectual property right, the Seller may cease its works even without more close examination of the legal situation. In such case, Seller may withdraw from the agreement and claim for reimbursement of its cost and expenses.

12 Miscellaneous

12.1 If any provision or any part of any provision of these Conditions is invalid, this shall not invalidate the remaining provisions or parts thereof.

12.2 The Buyer is hereby expressly informed that the Seller will record personal data and will process such data in connection with business transactions. This will be done in accordance with applicable laws.

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