

## **EZ - GENERAL TERMS AND CONDITIONS OF SALE**

### **I. GENERAL**

By passing an order, Buyer declares its agreement with the content and the applicability of these general terms and conditions and the language in which they are drawn up, it acknowledges effectively having taken note of them in advance, and expressly waives the application of its own general terms and conditions. Whenever EZ decides to waive certain clauses in the T&C, this waiver is not to be interpreted as EZ's subsequent relinquishment of such clauses or of the totality of the T&C.

### **II. OFFERS AND ORDERS**

Offers made by EZ include necessary accessories such as packing and packaging. All offers made by EZ are valid each day before 2.30 pm, unless otherwise specified. The prices stated in the offer are only valid to the extent that the complete offer is purchased.

The placing of an order or any other form of confirmation of agreement with an offer issued by EZ to which the T&C have been attached, shall imply unconditional acceptance of the T&C. T&C shall remain fully applicable to all future orders.

EZ can only be considered bound by an order if it has issued a written order confirmation to that effect. EZ is not obliged to accept any order, and is entitled to refuse orders, e.g. in cases Buyer still has debts outstanding vis-à-vis EZ.

Each and every order placed by Buyer constitutes the latter's irrevocable intent to purchase. Once accepted by EZ, an order can only be modified or cancelled by mutual agreement of the Parties. Nonetheless, EZ may expressly and in writing agree to:

- A change in the order, with the proviso that EZ reserves the right to postpone its original delivery date in consequence of such change;
- Cancellation of an order by Buyer with the proviso of payment by the latter of an indemnity covering loss of profit and administration costs of EZ amounting to 25 % of the total order price.

Any request to change the order shall only be taken into consideration if it is notified to EZ in writing at the e-mail address that confirmed the order to Buyer, with a copy of the agreement with Buyer. Buyer may change an order, with written consent of EZ. Delivery time of the order shall be postponed accordingly. EZ shall not bear any liability for overdue delivery and breach of the Agreement. Negotiations concerning changes to the order can in no way affect fulfillment of the initial purchase agreement. Neither party shall be entitled to suspend the fulfillment of the initial order or any commitments arising therefrom (such as payment for goods delivered) as a result of negotiations concerning changes to the order.

### **III. DELIVERY AND RISK**

If a specific delivery time is specified in an order, it should be indicated in bold or other fonts. The delivery date may be included in EZ's order and/or order confirmation, but such delivery date is for reference only and in no event shall delay in delivery be a cause for breach of contract or refusal to pay for the goods delivered or cancellation of the order.

EZ shall be entitled to postpone delivery as long as Buyer has not paid the advance required for the goods to be delivered and/or the price of previous deliveries, in full.

The risk of loss and damage to the goods will be transferred at the time of delivery.

Unless otherwise agreed in writing, delivery shall be Ex Works (Incoterms® 2020) at the address mentioned on the offer and order confirmation. The costs and risks of transport shall be borne by Buyer. EZ cannot be held liable for any consequence of transport, theft, destruction, or any other risk whatsoever, even if the carrier was selected by EZ. In the event of damage of any kind caused during transport, Buyer has no recourse against EZ and Buyer must pursue recourse against the carrier or its insurer. It is incumbent on Buyer, and Buyer alone, to safeguard his rights with respect to transport and insurance companies in the event of shortages, damage or any other incident.

Unless otherwise specified in the agreement, Buyer will collect purchased goods no later than 30 days of the goods being made available, even if the order has only been executed in part. A Buyer who refuses to collect the goods ordered shall be liable to pay a storage charge of 1 EUR net per m<sup>2</sup> per day after the 15<sup>th</sup> day following the initial delivery date. If Buyer refuses to collect the ordered goods on the initial delivery date, purchase price shall be immediately due and payable to EZ from the initial delivery date. In the event of Buyer failing to take delivery of the products on the agreed due date, EZ reserves the right (in each instance at Buyer's cost and risk and on his responsibility) to demand a forced sale, to cover itself by means of reversing the transaction on the London Metal Exchange ("LME") or to renew or extend its cover on the LME for a period of its choice.

The packaging and packing and any other form in which products are made available will be of the simplest most commonly used type for the products in question. The packaging, packing and any other arrangements for shipment will be approved at EZ's plant, prior to shipment where applicable. Upon Buyer's check and confirmation of the packaging, EZ will arrange shipment according to the packaging and shipping requirements agreed between the Parties.

EZ is entitled to deliver the goods in instalments, unless agreed otherwise. EZ shall be entitled to issue separate invoices for these partial deliveries.

### **IV. NON-CONFORMITY AND VISIBLE DEFECTS**

It is up to Buyer to check the delivered goods and, if necessary, to make all necessary remarks about the goods in accordance with the conditions as described below. In the absence of remarks, the goods shall be considered to have been delivered in accordance with the terms of the agreement. Buyer confirms that he possesses the necessary technical skills to carry out this conformity check and will be deemed to have approved the products unless he notifies EZ to the contrary regarding the conformity of the goods or visible defects no later than ten working days after receipt of the products by registered letter, and in any case before they are used, processed or resold, either entirely or in part, and must be accompanied by documents proving the non-conformity or visible defects.

Any resale or use of the goods by Buyer shall deprive the latter of its future right to make any remarks concerning their conformity. The warranty does not cover defects or loss of goods resulting from careless handling or storage of the goods by Buyer. The remarks submitted by Buyer shall not permit the latter to default on its payment obligations with respect to the delivered goods.

After 1 month following delivery of the goods, no legal procedure can be instituted by Buyer on the grounds of non-conformity, while legal action within this time limit can be brought only in so far as the remarks have been formulated and forwarded duly accompanied by photographs in evidence within ten working days after delivery of the goods. Following the expiry of said term, Buyer shall no longer be able to invoke any kind of non-conformity or visible defect of the goods, or resort to any non-conformity or visible defect as a defense vis-à-vis EZ if the latter starts a legal procedure to claim payment of outstanding debts.

All charges for carrying out conformity checks and other charges (in particular, for collecting the products, subsequently shipping the products, etc.), formalities (customs, environmental or other formalities) and the taxes and costs entailed thereby are payable by Buyer.

### **V. HIDDEN DEFECTS**

Hidden defects refers to production faults that render any normal use of the product impossible and that remained hidden from Buyer prior to commissioning ("Hidden defects"). EZ shall warrant Buyer against Hidden defects, under the legal provisions and under the following conditions:

- The warranty is only valid for goods that have legitimately been acquired by Buyer;
- The warranty only applies to goods sold by EZ;
- The warranty is limited to the replacement or repair of the defective parts, without the possibility for Buyer to claim any kind of compensation, and this irrespective of the cause of the defect in question;
- The warranty does not cover defects and theft as a result of storage at Buyer's premises;
- The warranty does not cover any abnormal use of the goods or any use that is contrary to the user instructions that are included in the technical data sheet, which can be provided to Buyer on request;
- The warranty does not cover any level of performance, nor intended use desired by Buyer;
- The warranty period of each product is set out in the technical data sheet of the product, which shall either be (i) attached to the order confirmation, or (ii) included in the product list of a framework agreement concluded between Buyer and EZ and which in any case will be considered to be part of the contractual scope for each individual sale agreement concluded with Buyer.
- Hidden defects must be communicated to EZ by registered letter within ten working days following identification thereof, and must be supported by documents that provide evidence of the Hidden defect. Failing this, any intervention on the part of EZ shall lapse.
- In the event that Buyer has outstanding debts, EZ shall invariably be entitled to suspend repairs and/or replacements in the context of the warranty until receipt of full payment of the outstanding debts.

### **VI. RETURNS/REPAIRS**

In the event of a delivery where a non-conformity or a visible or hidden defect is effectively determined by EZ, and the conditions for intervention under the warranty are fulfilled, EZ may freely choose to either

replace or repair the goods concerned free of charge, or take these goods back and refund the price, without Buyer being entitled to any damages, regardless of the consequences of the defects found.

No goods may be returned by Buyer without prior written approval by EZ. Otherwise, Buyer forfeits shall bear all costs arising therefrom.

### **VII. PRICE**

The prices and rates applicable to the order are those in force at the time Buyer places the order. The prices shall include transportation costs and other expenses, which shall be paid by Buyer according to the confirmed order. The prices and rates are determined exclusively by EZ and may be adjusted by it at any time, albeit without retroactive effect and only for the future. The changed prices shall become effective as soon as they are communicated to Buyer. Buyer is not entitled to change in the prices or rates. They are net and without discount and payable in accordance with the conditions specified below. EZ may at the time of the quote grant a discount based on the size of the total order. If Buyer decides to reduce the quantity of goods after placing the order, EZ reserves the right to revoke the discount and charge standard full price.

As a general rule, all charges, duties or taxes (in respect of invoices, companies or sub-companies, transport, transit, or the value of the products) or other such charges will be added to the price of the products and will always be paid by Buyer.

### **VIII. PAYMENTS**

All EZ's invoices are payable in RMB at EZ's registered office, without rebate: the specific payment terms will be foreseen in the offer and/or the order confirmation issued by EZ. If a payment is covered by an accepted draft, all the charges (stamp duty, discount, presentation, etc.) shall always be borne by Buyer. Title to the products sold does not pass to Buyer until they have been paid for in full. Only the effective collection of the total amount of the sums owing shall be considered as full payment.

In order to be enforceable against EZ, any objection to an invoice must be submitted to EZ by registered mail within 8 calendar days following invoice receipt. In order to be valid, the objection must be fully substantiated. Payment may not be delayed as a result of third party (individual or organization) being commissioned to check conformity of the products.

In the event of Buyer disposing of, pledging or encumbering in any way whatsoever his business or his assets, or in the event of a payment not being effected on the agreed date, all amounts due to EZ (including all charges incurred) will be come immediately due, irrespective of the conditions agreed.

In the event that EZ has reasonable suspicions that Buyer is in financial difficulties, does not provide any proof of its solvency, or has already in the past failed to pay EZ or other providers for one or more orders within the agreed term, EZ shall be entitled to suspend the acceptance or execution of an order until receipt of an advance payment or of the full amount of a future invoice.

In the event that Buyer rejects aforementioned conditions as drawn up by EZ and fails to provide adequate proof of its solvency, EZ shall be entitled to refuse further execution or delivery of orders already placed, without the possibility for Buyer to claim unjustified refusal to sell or without any right to compensation.

### **IX. LATE PAYMENT**

If Buyer fails to pay the total invoiced amount by its due date:

- Buyer shall immediately and automatically be obliged to pay an interest of 12 % per annum until date of full payment;
- In the event of non-payment, Buyer shall be liable to pay a fixed compensation amounting to 10% of the total price of the invoice, with a minimum of 125,00 RMB. EZ shall be entitled to recover the costs incurred for the collection of the outstanding amounts from Buyer.
- Any postponement of payment granted for other deliveries shall lapse, and all other invoices, even those not yet payable, shall become immediately payable.

The above mentioned compensation amounts are calculated on the price including taxes and are due regardless of the granting of a grace period. EZ reserves the right to suspend any order or delivery of goods if an order remains unpaid.

### **X. RETENTION OF TITLE**

The goods shall remain the property of EZ until full payment of the price stated in the relevant invoice, as well as any interest and costs due. This provision shall apply to all outstanding claims EZ has against Buyer and to all goods bought from EZ and held in Buyer's possession.

Buyer cannot therefore resell goods for which the price has not yet been paid in full. At no time shall Buyer be entitled to use the unpaid goods bought from EZ as collateral security. Any transaction in breach of this provision shall not be enforceable against EZ.

In the event of non-payment, EZ shall be entitled to request an inventory of all its products sold to Buyer, who must allow EZ to repossess the goods in question. Buyer undertakes to immediately take the necessary steps and grant EZ the right to enter its warehouse in order to recover the goods.

For the duration of this retention of title, Buyer shall mark all goods as being the property of EZ. If the goods are stored on third-party premises (e.g. belonging to the owner of real estate rented by Buyer), Buyer shall inform EZ of this before actually storing the goods on those third-party premises. In such case, Buyer must provide the identity, address and phone number of that third party, to allow EZ to inform this third party about the retention of title.

All costs incurred to claim and take back the goods shall be borne by Buyer.

### **XI. LIABILITY**

Buyer shall be obliged to carry out the necessary tests before using the products. Buyer shall be deemed to be aware of the regulations regarding the use of the products, as included in the technical data sheet, which is available at Buyer's request. Buyer shall be solely responsible for any risks associated with their use. Unless Buyer can prove that the damage was caused by a hidden defect in the product, EZ shall only be liable for direct damage. Except in the case of deceit or willful misconduct, EZ shall never be liable for indirect damage, including but not limited to consequential damage, lost profit, missed savings, and damage to third parties. The total liability per claim is, except in case of deceit or willful misconduct, in any case, limited to the invoice value of the defective delivery.

### **XII. HARDSHIP/FORCE MAJEURE**

Force majeure refers to every occurrence beyond the control of either party which they could not reasonably have foreseen or avoided, and which renders compliance with their contractual obligations impossible or disturbs the contractual balance. Situations of force majeure that prevent EZ from fulfilling its obligations include the following: a general or partial strike of its personnel or its usual suppliers and transporters, fire, flooding, war, technical defects in the production line, cyber-attacks, epidemics, pandemics, roadblocks or blockages or a cut-off of the electricity or gas supply or any other cause that prevents EZ from supplying the product. In such circumstances, EZ shall inform Buyer of the force majeure situation and of the automatic and immediate suspension of the parties' obligations, without any entitlement to compensation. In the event of irreparable force majeure, the agreement shall be dissolved, without any right to compensation on the part of Buyer.

### **XIII. INDIVISIBILITY**

If one or more of the clauses in the present T&C are declared invalid, such invalidity shall in no way affect the validity of the remaining clauses in the T&C or of the agreement as a whole. In such a case, the parties will negotiate in good faith to replace the unenforceable or contradictory stipulation by an enforceable and legal stipulation that is as close as possible to the intent and purpose of the original stipulation.

### **XIV. INTELLECTUAL PROPERTY**

Every technical document, technique or asset to which EZ holds intellectual property rights must be returned at the latter's request and may not be sold, copied, used or marketed without prior written consent from EZ. Any patentable inventions and protectable creations as well as their results arising from Buyer's order shall belong to EZ.

### **XV. CONFIDENTIALITY**

Buyer undertakes to treat as strictly confidential all information and documents relating to EZ's commercial activities that are communicated in the context of negotiations or agreements with EZ or come to the knowledge, even after the negotiations have ceased, the order has been executed or the agreement has been terminated.

### **XVI. DATA PROTECTION**

Each Party shall comply at all times with the applicable regulation on data protection ("Data Protection Laws") and neither Party shall perform its obligations under this agreement in such a way as to cause the other Party to breach any of its obligations under such Data Protection Laws. Any personal data received by a Party in connection with the sales agreement, shall only be used, shared or otherwise processed in accordance with the Data Protection Laws and for the sole purposes of implementation of the sales agreement.

### **XVII. COMPETENT JURISDICTION AND APPLICABLE LAW**

Unless expressly agreed otherwise, relations between contracting parties shall exclusively be governed by and construed in accordance with Chinese law. The application of the Vienna Sales Convention is expressly ruled out. Any dispute between EZ and Buyer shall be brought exclusively before the courts of Changsha.