

# General Terms and Conditions of Sale and Delivery



For DAFA US INC.  
Effective from 1-1-2026

## 1. Scope and Applicability

1.1 These Terms and Conditions of Sale and Delivery ("Terms") apply to all sales and deliveries from DAFA US INC. unless otherwise agreed in writing.

1.2 Any deviating terms, including those in buyer's purchase orders or general terms, shall only apply if explicitly accepted in writing by DAFA US INC.

## 2. Conclusion of Agreement

2.1 A contract is only concluded upon written confirmation from DAFA US INC. In case of discrepancies, DAFA US INC.'s order confirmation prevails.

2.2 DAFA US INC. retains ownership of all intellectual property in products, drawings, and specifications. Buyer receives only a non-exclusive right of use and may not reproduce or share protected materials.

## 3. Handling Charges

3.1 Orders below USD 1,000 (excl. VAT) will be subject to a handling fee.

3.2 Open consignments will not be delivered.

3.3 DAFA US INC. reserves the right to charge additional fees including, but not limited to:

- Rush order fee for expedited processing,
- Order change fee for modifications requested after order confirmation,
- Cancellation fee for orders cancelled after confirmation,
- Postponement fee for buyer-requested delayed delivery,
- Documentation fee for requests for additional or customized documentation.

## 4. Payment Terms and Retention of Title

4.1 Unless otherwise agreed, payment is due as specified on the invoice.

4.2 Late payments are subject to 1.5% interest per month or part thereof.

4.3 Buyer may not offset claims or withhold payment due to complaints or counterclaims.

4.4 DAFA US INC. may withhold deliveries in case of delayed payment.

4.5 Title to delivered goods remains with DAFA US INC. until full payment including interest and costs has been received.

## 5. Delivery Terms

5.1 Delivery is Ex Works (Incoterms 2020), Illinois, United States, unless otherwise agreed in writing in each specific case.

5.2 Delivery times are indicative unless a fixed delivery date is expressly confirmed in writing.

5.3 In case of a confirmed fixed delivery time, DAFA US INC. may extend it by 10 working days. If this extended period is exceeded, the buyer may terminate the affected (delayed) part of the agreement.

If the buyer chooses to terminate the affected (delayed) part of the agreement, the buyer will only be entitled to a refund of the remuneration already paid in respect of the delayed part of the delivery, but not of the remuneration for other deliveries. The buyer cannot assert any other remedies for the delay/termination and is not entitled to claim compensation and/or damage of any kind.

5.4 For customer-specific products, delivery quantity may deviate by up to  $\pm 10\%$ .

## 6. Prices

6.1 Prices are exclusive of VAT and any applicable public charges. The applicable price is the one valid at the time of delivery.

6.2 DAFA US INC. may adjust prices without notice due to extraordinary increases in raw materials or labor costs.

## 7. Returns

7.1 Returns require prior written agreement and are subject to a 20% restocking fee. Customer specific goods cannot be returned. Goods under USD 1,000 or with limited shelf life cannot be returned.

7.2 Returned goods must be in original, undamaged packaging and saleable condition. Buyer bears all costs and risk of return.

## 8. Inspection and Defects

8.1 Buyer must inspect goods upon receipt and notify DAFA US INC. of any defects within one week. Claims submitted later than one (1) year after delivery are forfeited and will be rejected.

8.2 Customers must follow storage, processing and/or application requirements according to TDS.

8.3 If goods are proven defective by the buyer at the time of delivery and the claim is timely, DAFA US INC. will, at its discretion, repair or replace the goods within a reasonable period of time. The buyer cannot assert any other remedies for defects than repair/replacement. The buyer is accordingly not entitled to claim compensation and/or damage of any kind. As part of its commercial and product liability insurance, DAFA US INC. has taken out additional insurance called "Ingredient and component cover". The "Ingredient and component cover" may benefit the Buyer if DAFA US INC.'s products/services have been incorporated into or added to another product, including buildings ("End Product"), and DAFA US INC. is liable for the repair or replacement of DAFA US INC.'s defective product/service and such repair/replacement requires interference in the End Product. DAFA US INC. is only liable insofar and to the extent a claim is fully covered by the "Ingredient and component cover". DAFA US INC. is in no case liable for indirect loss, including loss of profit, operating loss, costs for lawyers and other advisers, recall of products, troubleshooting, studies, analyses or transport of the defective product/service and/or the End Product or other financial consequential loss. DAFA US INC.'s liability in damages vis-à-vis the buyer for defects in the delivered products/ services may not exceed USD 1 million per calendar year.

8.4 DAFA US INC.'s liability is limited to the invoice value of the defective goods. Indirect losses of any kind and/or consequential damages are excluded.

8.5 The above limitations do not apply in cases of intent or gross negligence.

## 9. Product Liability

9.1 DAFA US INC. is liable for product liability claims under United States law.

9.2 DAFA US INC. is not liable for indirect losses, including lost profits, operating losses, or consequential damages.

9.3 Claims from the buyer for damages resulting from product liability which are not excluded pursuant to clause 9.1 and/or clause 9.2, can never exceed the coverage provided by DAFA US INC. product liability insurance in effect at any given time.

## 10. Insurance

10.1 DAFA US INC. maintains commercial and product liability insurance, including ingredient and component cover.

## 11. Governing Law and Disputes

11.1 DAFA US INC. and Buyer agree that any purchase order, contract, agreement or other contractual relationship established as a result of this quotation shall be deemed executed and intended to be performed in the State of Illinois and that the laws of the State of Illinois shall govern the construction and application of any contractual relationship between DAFA US INC. and Buyer resulting from this quotation.

11.2 Any dispute, claim or controversy arising out of or relating to these Terms of Sale or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by binding arbitration in Chicago, Illinois, before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Streamlined Arbitration Rules and Procedures to the extent allowed under such rules and if not allowed then JAMS' Comprehensive Arbitration Rules and Procedures shall apply. The arbitrator may, in the award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party. The arbitrator's decision shall be reduced to writing. Further, the award by the arbitrator shall be final and binding on the parties, and judgment upon the award rendered may be entered in any court having jurisdiction thereof.

## 12. Force Majeure

12.1 DAFA US INC. is not liable for failure to perform due to events beyond its reasonable control, including war, natural disasters, strikes, epidemics, or supplier delays. In such cases, DAFA US INC. may postpone delivery or cancel the agreement.