

# General Conditions of Sale and Delivery

## 1. Formation of Contract

1.2 The Contract shall be deemed to have been entered into upon receipt of Supplier's written acknowledgement stating its acceptance of the order (confirmation of order).

## 2. Scope of Delivery

2.1 The confirmation of order is decisive for scope and items of the delivery. Items not included therein shall be invoiced separately.

## 3. Technical Documentation

3.1 Technical documentation, such as drawings, descriptions, illustrations, etc., are not binding upon the Supplier.

3.2 All technical documentation of Supplier remains in his sole property and may neither be copied nor be reproduced nor be used for purposes of manufacturing the products nor be made available or be brought to the knowledge of third parties in any way (the latter with exception of documents which are intended to be handed out to customers).

3.3 Technical documentation of Supplier forming part or annexed to offers must be immediately returned to Supplier if no order is placed.

## 4. Price

4.1 Prices quoted in the price list are net ex works, and do not include packing, and must be paid without any deductions. All connected costs shall be paid by the Customer, e.g. costs for freight, insurance, export-, transit-, import- and other permits as well as documentation. In addition, all kinds of taxes, duties, fees and tariffs shall be borne by the Customer. Should the Customers request that the Supplier insures transportation at his cost, Supplier must be informed thereof in writing in due time before delivery.

4.2 Supplier reserves the right to adjust prices. Every offer is valid only for a maximum duration of three months.

## 5. Terms of Payment

5.1 Unless otherwise agreed upon, the terms of payment as per the price list apply.

5.2 Payments by the Customer shall be made at the Supplier's Domicile without deduction of any discounts, costs, taxes and fees. In case of partial deliveries, payment must be made in relation to the scope of every single delivery.

5.3 Dates for payment must be abided by, even if transportation, delivery or acceptance of delivery is delayed or made impossible for reasons that are not within the control of Supplier. Payments of the Customer may not be reduced or held back for reasons of complaints, claims or counterclaims not acknowledged by Supplier. Payments must be made in full, even if unimportant parts are missing, as long as the contractual use of the products is not made impossible, or if it appears that additional work on the products is necessary.

## 6. Ownership proviso

6.1 We shall reserve ownership in the purchased item until receipt of all payments from the business relationship with the PPO. In the event of contract-breaching conduct of the PPO, including, but not limited to, payment default, then we shall have the right to declare rescission of the contract in accordance with provisions of law and to demand return of the purchased item.

6.2 The purchased items subject to the ownership proviso shall not be able to be pledged or provided as collateral prior to rendering of full payment by the PPO. In case of attachment or other third-party encroachment upon the purchased items belonging to us, the PPO shall inform us in writing without undue delay.

6.3 The PPO shall have the right to sell the purchased item in the ordinary course of business; however, it shall hereby assign to us all receivables against third parties incurred against his PPOs or third parties from the re-sale (including value-added tax). The PPO shall remain authorized to collect this receivable even after the assignment. Our authority to collect the receivable ourselves shall not be affected thereby. However, we shall be obligated to refrain from collecting on the receivable as long as (i) the PPO complies with its payment obligations, (ii) does not enter payment default, (iii) does not file any application to initiate bankruptcy proceedings and (iv) no other deficiency in its ability to perform is present. If this is the case, then we shall be able to demand that the PPO (i) disclose the assigned receivables and their debtors to us, (ii) provide all information required for collection, (iii) submit the associated documents, and (iv) inform the debtors (third parties) of the assignment.

6.4 We shall release the collateral due to us upon demand of the PPO insofar as the value that can be realized from our collateral exceeds the receivables to be secured by more than 10%; we shall reserve the right to select the collateral to be released.

6.5 The PPO shall be obligated to treat the purchased item with care; specifically, it shall be obliged to insure the purchased item at its own expense against damage from fire, water, and theft. If any maintenance and inspection work is required, then the PPO shall have to perform said work in a timely manner at its own expense.

## 7. Inspection and Taking over of Delivery

7.1 The Customer must inspect all deliveries within reasonable time and must notify the Supplier immediately and in writing of any deficiencies. If the Customer fails to do so, the delivery shall be deemed to be taken over and accepted.

7.2 Should the delivery not be in accordance with the contractual requirements at taking over, the Customer must immediately enable the Supplier to remedy the deficiencies as soon as possible.

7.3 The Customer shall have no further rights as consequence of deficiencies of the delivery and in particular the Customer waives any claims for damages, reduction of price or termination of the contract.

## 8. Packing

8.1 The packing shall be invoiced by the Supplier and may not be returned. If the packing has been designated to belong to the Supplier, it must be returned all costs paid to the domicile of the Supplier.

## 9. Passing of Benefit and Risk

9.1 Benefit and risk pass to the Customer at the time of dispatch from the factory, even if delivery is to be made all cost paid, cif, fob or under a similar clause. Should dispatch be delayed or made impossible for reasons beyond the control of the Supplier, the goods shall be stored at the risk of the Customer and costs to be borne the Customer, and delivery shall be deemed to have taken place.

## 10. Transportation and Insurance

10.1 Special requests regarding dispatch and insurance must be communicated to the Supplier in due time. Transportation shall be at the risk of the Customer, all costs to be paid by the Customer. Any complaints in connection with transportation must be directed by the Customer to the Carrier immediately at the receipt of the goods or the freight documents.

10.2 Insurance against damage of any kind is the responsibility of the Customer. Even if insurance shall be provided by the Supplier, it is at the risk of the Customer and costs to be paid by the Customer.

## 11. Warranty

11.1 Upon written request of the Customer, the Supplier shall at its choice repair or replace as quickly as possible any parts of the supplies which are proved to be defective due to bad material, faulty design or poor workmanship, alt under the condition that the Customer has notified the Supplier of the defect immediately. Replaced parts shall become the Supplier's property.

11.2 The Supplier's liability is limited to cost of repair or replacement of defective parts in the Supplier's shops. If defective parts cannot be repaired or replaced in the Supplier's shop for reasons beyond the control of the Supplier, all additional costs resulting there from shall be borne by the Customer.

11.3 The Customer shall have no other rights or claims resulting from deficiencies or defects of the delivery; in particular; the Customer is not entitled to claim damages for direct or indirect damage, to ask for a reduction in price or to terminate the agreement.

11.4 The warranty period is twelve months, or six months in case of 24 hour operation, it begins when the supplies leave the works.

11.5 Excluded from the warranty are all faults and damages resulting from normal wear, improper maintenance, excessive loading, use of any unsuitable material, chemical or electrolytical influences, or resulting from any other reasons beyond the Supplier's control.

11.6 The warrant expires, if the Customer, without written consent of the Supplier, undertakes modifications or repairs at the goods, or if such modifications or repairs are undertaken by a third party; it also expires, if the Customer fails to take appropriate steps to mitigate the damage and to give the Supplier the possibility to remedy such defect.

## 12. User Instructions

12.1 The customer undertakes to respect and comply stringently with the instructions and notes set out in the document which accompanies the consignments and contains directions and safety instructions. The client further undertakes to give appropriate training to his personnel and to supervise their work. The client undertakes to comply strictly with the instructions which appear on the product (in particular, in respect of maximum speeds).

12.2 If the goods are resold or otherwise made available to third parties, the client undertakes to impose the requirements set out in this Section 12 on the recipient and to pass on to him the Supplier's directions and safety instructions.

## 13. Place of Performance, Place of Jurisdiction and Applicable Law

13.1 This Agreement is governed by Swiss law.

13.2 Application of the Vienna Convention of the United Nations on Contracts for the International Sale of Goods dated 11 April 1980 is expressly excluded.

### 13.3 PLACE OF PERFORMANCE AND PLACE OF JURIDICION FOR THE CUSTOMER AND THE SUPPLIER IS AT THE REGISTERED OFFICES OF THE SUPPLIER.

13.4 The Supplier is, however, entitled to bring proceedings against the Customer at the place of its registered offices.