

I. General / Area of application

All orders shall be exclusively governed by these Terms and Conditions of Purchase. We will not recognize contradictory or differing terms and conditions of business that Supplier may have unless we have expressly agreed to them in writing. The acceptance of Supplier's goods and services or payment for the same shall not be construed as agreement.

II. Conclusion of the contract

Orders shall only be binding if they are placed in writing. Orders must be acknowledged in writing by Supplier. In accepting the order, Supplier confirms that by having inspected the available plans it is aware of the type of execution and the scope of the work and services. Supplier shall notify us of any obvious errors or incorrect information in the order and in the accompanying documents.

III. Delivery and shipment

1. The agreed delivery date is a fixed date and shall be understood as the date of arrival at the place of destination.
2. Unless otherwise agreed, delivery shall be DDP (delivered duty paid) in accordance with the applicable Incoterms.
3. Each delivery shall be accompanied by a detailed delivery note (shipping advice) containing our order number.
4. Part deliveries shall be avoided as far as possible and must be clearly marked as a "part delivery" on the delivery note.
5. Supplier must immediately notify us in writing if any deviations relating to the delivery become apparent (e.g. the delivery date, the quantities delivered, the quality of the goods, etc.).
6. We shall be entitled to exercise our statutory rights in the event of any delay in delivery.
7. For each week of the delay Supplier shall pay a penalty of 0.5% of the purchase price, but no more than 5% of the purchase price in total. The payment of the penalty shall not release Supplier from the obligation to continue to fulfil the contract. We reserve the right to claim damages over and above the penalty.
8. Acceptance of a delayed delivery of goods or services without reservation shall not be construed as a waiver of the rights that we are entitled to as a result of the delayed delivery of the goods or services.
9. Supplier shall be liable for any damage caused by unsuitable packaging.

VI. Supplier's declarations

Supplier undertakes to provide the necessary supplier's declarations and evidence of origin on request.

V. Prices and terms of payment

1. The price shown in the order is binding, takes account of the terms and conditions of delivery agreed in clause III.2, including other expenses, and is quoted inclusive of packaging costs.
2. Unless otherwise agreed, Supplier shall be entitled to payment for the goods and services supplied, but not before the delivery of the contractual products are free of defects.
3. The terms of payment are as follows: within 60 days net, end of the month payable at the 10th of the following month after receipt of the invoice.
4. The order number must be quoted in the invoice. Supplier shall be responsible for all consequences arising from the failure to meet this obligation.
5. Claims against us may only be assigned with our written agreement.
6. We expressly reserve the right of set-off (Article 120 ff. of the Swiss Code of Obligations) and the right of retention (Article 83 of the Swiss Code of Obligations).

VI. Liability for defects

1. The statutory provisions regarding material defects and defects of title shall apply unless otherwise agreed below.
2. Supplier guarantees that the products supplied shall be in accordance with the agreed specifications and quality agreements, fit for their intended purpose, in accordance with the recognised state of the art and free of material defects and defects of title and that they shall also comply with all applicable national and international rules and requirements.
3. Supplier must ensure at its own expense that the delivery is accompanied by the declarations and confirmations that we require in the specified language, confirming that the products comply with all applicable regulations (particularly, but not limited, the essential health and safety requirements).
4. Any changes shall first require our written consent.
5. We have the obligation to inspect the products for any deviations in quality, quantity and identity and for any obvious defects and shall do so within a reasonable period during the normal course of business. Supplier explicitly and irrevocably waives the defence of undue delay in giving notice of defects.
6. Supplier undertakes to improve or replace the defective products as we may choose. Supplier shall bear all costs in connection with the improvement or the replacement. If Supplier does not succeed in achieving the condition agreed by contract within a reasonable period, we shall be entitled to either claim a reduction in price or to cancel the contract in question or to have the defective products improved or replaced at Supplier's cost and expense, either by ourselves or by others. The guarantee period shall be two years as from the date when our end product is delivered to the end customer, but no more than three (3) years from the time that the contractual products are delivered to us

(transfer of risk). The guarantee period shall commence anew if we are supplied with a replacement or if the products are repaired. If a replacement is supplied, we shall have the right to use the delivery item free of charge until a flawless replacement has been supplied and is ready for operation.

7. Any payments we make shall not be construed as a waiver of our statutory warranty rights.
8. In all cases we may claim compensation for any damage that we directly or indirectly suffer due to the non-performance or unsatisfactory performance of the contract. Supplier shall be vicariously liable for its subcontractors. If we incur any expenses, particularly, but not limited to, transport costs, costs of materials and labour costs, as a result of a defective delivery or any other kind of unsatisfactory performance, Supplier shall reimburse us in full.

VII. Product liability

1. If any claims are asserted against us on grounds of product liability, Supplier shall indemnify us against such third-party claims in as far as the damage has been caused or partially caused by a fault in the products supplied under the contract. Supplier waives the defence of limitation regarding the time in which such claims may be made, as long as claims can be made against us.
2. Supplier shall bear all associated costs and expenses in the cases set out in clause VII. 1. Beyond that, the statutory provisions of the Swiss Product Liability Act shall apply.
3. Should we and/or the customer be obliged to recall any products due to a fault caused by Supplier's products, Supplier undertakes to bear our expenses and hold us harmless. The same shall apply if it is at least reasonable to carry out a recall and/or we must bear the expenses for such a recall.

VIII. Conflict minerals

The supplier shall guarantee, that the supplies and services fully complies with the agreed specifications as well as the guidelines for a "Conflict-Mineral-Free" procurement according to Dodd-Frank Act, Para. 1502. We reserve the right to comply with and issue proof of the following guidelines:

- Dodd-Frank Act, Para. 1502, 2010
- Hong Kong International Convention for the safe and environmentally sound recycling of ships, 2009
- Guideline 2011/65/EU for the Restriction of the use of certain hazardous substances in electrical and electronic equipment
- Regulation (EC) No. 1907/2006 concerning the Registration, evaluation, authorization and restriction of Chemicals (REACH)

IX. Insurance

Supplier undertakes to take out public liability insurance with extended product liability insurance that also covers the costs of any recalls and with a coverage of at least CHF 5 million. Supplier furthermore undertakes to uphold such insurance for as long as deliveries continue and goods and services are provided. Supplier shall send us up-to-date certification of the existence of such insurance.

X. Property rights

Supplier warrants that no third-party rights stand in the way of using the products for their intended purpose and, in particular, that they do not violate any third-party property rights. Supplier shall fully indemnify us and our customers against all claims arising from the use of such property rights.

XI. Services

Persons who carry out work on our premises in performing the contract must comply with our applicable Swiss industrial safety regulations and Swiss working conditions. This also applies to persons employed by a subcontractor to perform work on our premises. Supplier must regularly ascertain whether the industrial safety regulations and working conditions are being complied with. No liability shall be assumed for accidents unless they have been caused by intentional or grossly negligent breaches of duty on the part of our legal representatives or vicarious agents.

XII. Ownership of information, goods, semi-finished and finished products

1. All commercial and technical information that we communicate and make accessible shall remain our property. We reserve all rights in respect of such information.
2. Drawings, drafts, samples, models, specifications, internal company data, tools, fittings, trademarks and getups or similar as well as finished products and semi-finished products etc. that we provide to Supplier so that a quotation can be made or so that an order can be executed or that are produced on our behalf shall remain our property and may only be supplied to third parties with our prior written permission. They must be kept with the due care and diligence of a prudent businessperson and may only be used for our orders. Unless otherwise agreed, these items must be automatically returned or handed over to us without delay on completion of the order or destroyed at our request. The items manufactured with the materials we provide, according to our confidential information or with our tools or copies of our tools may neither be used by Supplier itself nor offered or supplied to third parties.
3. Supplier undertakes to carefully maintain the tools and production facilities borrowed from us and to expertly carry out or have carried out any necessary repairs on Supplier's own account. If Supplier fails to do this, we

shall be entitled to claim compensation for the resulting damage.

4. Supplier must ensure tools and other production parts etc. at the replacement value and at Supplier's own expense and must provide us with evidence of such insurance on request.
5. Supplier undertakes to clearly mark our property.

XIII. Confidentiality

Supplier undertakes to treat as confidential all information that Supplier receives within the framework of the cooperation and to use such information only for purposes of performing the contract. Supplier may only disclose such information to its staff if this is necessary in order to perform the contract. Supplier shall ensure that its staff, vicarious agents, suppliers and subcontractors comply with this duty of secrecy.

XIV. Termination

We have the right to terminate contracts with Supplier in writing at any time without giving reasons and with immediate effect. In the case of work and services we have the right to terminate the contract as long as the work has not been completed. In such a case we undertake to pay Supplier for the invoice value of the products supplied to us or completed by Supplier up until the time when notice of termination is received. No further claims shall exist.

XV. Miscellaneous

1. Any amendments and/or additions to this contract shall require the written form in order to be effective.
2. If any provision of these Terms and Conditions of Purchase should be void or unenforceable, this shall not affect the validity of the remaining provisions. Any provisions that are void or unenforceable shall be replaced by provisions that come as close as possible to achieving the intended purpose.
3. This contract shall be exclusively governed by Swiss law excluding the United Nations Conventions on Contracts for the International Sale of Goods of 11 April 1980 (Vienna Sale of Goods Convention).
4. The exclusive place of jurisdiction shall be Winterthur in Switzerland. We reserve the right to also enforce our rights at the place where the Supplier has its registered office.