

General Terms and Conditions of Supply

1 GENERAL CONDITIONS

1.1 Catalogues, Price Lists, Offers

Any written or verbal offers and all offers in catalogues and price lists are not binding and may be changed by us without previous announcement. We particularly reserve the right to change prices at any time if need be. Where our offers do not contain definite time limits, we may freely handle them as far as prices and delivery terms are concerned.

1.2 Time of Completion of Contract and Scope of Contract

Orders become binding only when confirmed in writing by us. Such written confirmation of order is also exclusively decisive for the contents of any agreement. We are not obligated to hold ordered goods or services ready/on stock in advance of the agreed delivery date.

2 DELIVERY

2.1 Delivery Term

Delivery term starts running with the completion of the contract, which includes the procuring of all official formalities, such as import, export, transit and payment authorizations, the remittance of payments and the provision of securities, if any, required at the time of the placement of the order, as well as the settlement of all essential technical points. Delivery term is met if, by the time of its expiration, notification is sent to Purchaser that the goods ordered are ready for shipment. We shall not meet the deadlines unless Purchaser has fulfilled its contractual obligations.

2.2 Delivery Terms are adequately extended:

- a) if information necessary for the execution of the order is not given to us in time, if further technical examinations become necessary and if Purchaser makes additional modifications that cause delays in delivery or performance;
- b) if unforeseeable impediments arise, which are beyond our reasonable control, notwithstanding their origin (either in our plant, or at Purchaser's or at a third party's). Are deemed to be such impediments, among others, epidemics, boycotts, lock-outs, labour revolts, serious breakdowns as well as mobilization, acts of God and other cases of force majeure. In addition to that, delay in the supply of raw materials, of half-finished and finished products, cases of important components becoming defective in the manufacturing process, or injunctions of authorities.

2.3 Delay in Delivery

Where we do not meet a delivery date, Purchaser is not entitled to cancel the contract, unless delivery has still not occurred by the end of an additional term to perform, given to us in writing by Purchaser. Any claim for damages of Purchaser due to late delivery, non-delivery or cancellation of contract, is excluded to the maximum extent permitted under applicable law. In case of a cancellation due to delayed delivery, the Purchaser is obligated to pay all costs incurred.

2.4 Delay of Purchaser

If Purchaser delays in complying with its contractual obligations, in particular if it does not meet the agreed payment conditions, we reserve the right, in addition to the remedies provided by law, to keep back all deliveries resulting from any other contract entered into earlier or to cancel any such contract and to claim damages.

2.5 Under / Overdelivery, Tolerance of quantity

On non-standard and custom-made items, we reserve the right for under – or overdelivery of $\pm 5\%$ of the ordered quantities.

2.6 Samples

We will invoice any sample delivered. In case of subsequent orders, the value of the invoiced samples can be deducted provided our explicit agreement.

3 PRICES AND CONDITIONS OF PAYMENT

Prices and conditions are as set forth in our written confirmation of order. Unless otherwise stipulated, our prices are in Swiss Francs, net without deduction, ex works, not including packing and Swiss VAT.

We reserve the right to apply a markup or/and to annul any discounts previously agreed upon for small-volume purchases.

In default of payment, Purchaser shall bear, unless otherwise agreed, all and any resulting costs, and, as from the due date of the invoice, interest for late payment, which shall be no less than 4% above the discount rate of the Swiss National Bank valid at that time.

Payment deadlines must also be met if, for reasons beyond our control, transportation, delivery, installation, bringing into service or acceptance of delivery or performance are delayed or impossible, or if parts of minor importance are missing or overhaul is needed, which do not prevent the goods from being used.

4 TRANSFER OF RISK

Risk and benefit are transferred to Purchaser at the time of delivery ex works at the latest. Transport is made at Purchaser's expense and risk; and in no event shall we be liable for any damage connected with the handling and transportation of the goods.

5 REDEMPTION

Non-standard or custom-made products or any product that has been mutated or altered in any way, can, under no circumstances, be redeemed. Standard products in mint condition can, after notification and upon our explicit agreement, be redeemed. All cost of redemption shall be borne by Purchaser.

6 RESERVATION OF TITLES CLAUSE

Title to the goods does not pass to Purchaser until Purchaser has paid for them completely. We are authorized to register the title to the goods delivered to Purchaser, and Purchaser must cooperate with the registration, if necessary.

7 DOCUMENTS/COPYRIGHT

We reserve title and copyright for any placed offers, quotations, designs, calculations and any other documents. Any such document may not be copied or intimated to third parties or made accessible to them without our explicit and written agreement.

8 TOOLS, MOULDINGS

Special tools or mouldings remain our property, even in case that cost of manufacturing of said items would be partially shared.

9 ORDERS SUBJECT TO REQUEST FOR DELIVERY

Orders without firm delivery terms shall be called within one year, unless otherwise provided. Remaining goods which are not called on expiration of such period will be delivered and invoiced after an appropriate time limit for acceptance is granted. Additional costs due to such delayed acceptance shall be borne by Purchaser. Orders on call with terms exceeding six months are expressly subject to changes in price.

10 WARRANTIES

10.1 *Obligation to Notify*

Purchaser shall examine the delivered goods and performances in due time and immediately notify us in writing of any defect. Where it does not comply with such obligation, delivery and performance will be deemed to be approved of.

10.2 *Limited Warranty*

We warrant that the goods are free from defect in material or workmanship until the expiration of 12 months as from the date of delivery ex works. Where delivery, acceptance or installation is delayed for reasons for which we have not to answer, warranty is limited to 18 months as from the notification that the goods are ready for shipment.

Any parts replaced or repaired within the above warranty period are warranted for the remainder of the original warranty period as set out above, or for six months, as from replacement, repair or acceptance, whichever is longer.

Warranty ceases prematurely if Purchaser itself or a third party carries out improper changes or repairs, or if Purchaser, after a defect has occurred, fails to take all suitable urgent measures to reduce the damage (if in doubt, operation of the components must be stopped) and to give us the opportunity to remedy the defect.

For later revisions and repairs we warrant that the works carried out are free from any defects until the expiration of six months.

10.3 *Liability for Defects in Material, Engineering and Workmanship*

On Purchaser's written request, we undertake to remedy or replace, as soon as possible and at our option, all parts of the delivery that become defective or unfit for use prior to the expiration of said warranty period if defect or unfitness can be proved to be the result of defective materials, faulty engineering or poor workmanship. Replaced parts become our property.

We bear the costs of re-treatment incurred in our plant. If re-treatment is not possible to be carried out in our plant, any cost exceeding the normal costs for transportation, staff, travelling and stay and for removal and fitting of the defective parts shall be borne by Purchaser.

Are deemed to be unusual in particular additional costs incurred for works at night or weekends or overtime, carried out at Purchaser's request. The same applies to additional transportation costs resulting from the Purchaser's wish to have the works carried out as a matter of priority.

10.4 *Liability for assured Qualities*

We do not warrant any assured quality of the goods unless expressly designed as such in our confirmation of order or in our specification. Any given assurance is only valid for the period of warranty. Where an acceptance test of the delivered goods is stipulated, the assurance shall be presumed to be satisfied if evidence for the said quality is produced at such control.

Where assured qualities are not met, in whole or in part, Purchaser may first claim re-treatment to be carried out by us. It shall give us the necessary time and opportunity to do so.

If re-treatment fails, in whole or in part, then Purchaser is entitled to the indemnity agreed upon for such cases, or if such indemnity has not been stipulated, to an adequate reduction of price. Where the defects are so serious that remedy in due course is impossible, and if the delivered goods or performances are unfit for the announced purpose, in whole or in substantial part, Purchaser is entitled to refuse acceptance of the defective parts or, if partial acceptance is commercially unreasonable, to cancel the agreement. Any return to Purchaser of the price paid includes only the parts that are concerned by the cancellation of the contract.

10.5 *Exclusions of Liability for Defects*

Warranty and liability shall be excluded, unless Purchaser is able to prove that defective materials, faulty engineering or poor workmanship causes the damage. The exclusion is applicable to all causes beyond our control, such as usual wear and tear, faulty maintenance, disregarding of service regulations, excessive use, inappropriate operation means, chemical or electrolytic impacts, works not carried out by us, etc.

10.6 *Exclusiveness of Warranty Rights*

Except for the rights and claims as set out in items 10.1-10.5, Purchaser has no further rights resulting from any defects in material, engineering or workmanship or from lack of assured qualities.

Any and all cases of breach of contract and their legal consequences and any claims of Purchaser whatever their grounds are fully regulated herein. In particular, any claim for damages, price reduction, cancellation or rescission of contract are ruled out, unless expressly stipulated hereunder. In no event shall Purchaser be entitled to ask for compensation for damages not originating in the delivered good itself, such as loss of production, of use, of commissions, of benefit, or for any other indirect or direct consequential damage. Such exclusion clause is void in case of wilful act or gross negligence on our side; it does, however, apply on wilful act or gross negligence on an auxiliary person's side.

The aforesaid exclusion clause is not valid in so far as cogent law counteracts.

10.7 *Liability for Side-Obligations*

We shall not be liable for any consequential damages, whether based on incorrect advice or otherwise and whether arising out of breach of any side-obligation, except only in the case of wilful act or gross negligence.

11 GENERAL TERMS AND CONDITIONS OF PURCHASER

We do not accept any other general terms and conditions except for our own. Purchaser expressly waives the right to refer to its own general terms and conditions. We reserve the right to amend or revoke our General Terms and Conditions of Sale and Delivery.

12 AMENDMENTS

Amendments and modifications to the terms and conditions herein shall be void unless made in writing.

13 PLACE OF PERFORMANCE AND JURISDICTION

Küssnacht SZ shall be the place of performance and delivery and of any payment made hereunder. The Law Courts of Küssnacht SZ shall have exclusive jurisdiction over any dispute arising out of our legal relationship with Purchaser. We reserve the right, however, to also commence legal action at Purchaser's place of business or domicile. Swiss substantive law shall govern all transactions and any litigation between Purchaser and us.