

General Sales and Delivery Conditions

1. General

- 1.1 The contract is concluded upon reception of the supplier's written confirmation of acceptance of the order (confirmation of order). Offers not containing a period of acceptance are not binding.
- 1.2 The terms of delivery are binding if the offer or the confirmation of acceptance stipulates that they are applicable. Different conditions of the buyer are valid only in so far as these are accepted explicitly and in writing by the supplier.

2. Extent of supplies and performance

Supplies and performance are listed conclusively in the confirmation of acceptance.

3. Blueprints and technical documents

- 3.1 Brochures and catalogues are not binding unless otherwise agreed upon.
- 3.2 Both parties to the contract retain all rights to the blueprints and technical documents given by one party to the other. The receiving party to the contract acknowledges these rights and refrains from giving part or all of these documents to a third party without previous permission from the other party or using them for a different purpose than the one for which the documents are made available.

4. Prices and terms of payment and deliveries

- 4.1 Unless otherwise stipulated, all prices are 30 days net, date of invoice, ex works Täuffelen, as per Incoterms 2010, in Swiss francs, free of any and all deductions.
- 4.2 An adequate price adjustment will be effected particularly if the period of delivery is extended at a later date due to one of the reasons mentioned in § 6.2, or if the documents submitted by the buyer do not correspond to the real conditions or are incomplete.
- 4.3 Payments are to be made to the domicile of the supplier, without deduction of discounts, expenses, taxes, dues, duties, fees, customs duties etc.
- 4.4 If the buyer does not comply with the agreed terms of payment, he becomes liable to pay default interests from the time of the agreed due date. Compensation of further damages is reserved.

5. Right of property

The supplier retains property of all his deliveries until he is paid in full according to the contract. It is the buyer's duty to keep the articles delivered by the supplier in good order and condition, at his cost, during the period of retention of title. He furthermore takes all measures to avoid that the title of the supplier is infringed upon or cancelled.

6. Delivery period and quantity

- 6.1 The period of delivery starts as soon as the agreement is signed and the product requirements are settled. Terms of delivery are complied with if notice of readiness of dispatch is sent to the buyer before its expiration.
- 6.2 The period of delivery is extended appropriately:
 - a) if the supplier does not receive in due time the information he requires to fulfil the contract or if the buyer alters them at a later date and causes a delay of the deliveries or performances;
 - b) if impediments occur which the supplier despite all due diligence cannot avoid, whether these occur with him, with the buyer or with a third party. These impediments can be epidemics, war, mobilization, revolts, serious interruption of operations, accidents, labour disputes, late or faulty supply of required raw materials or half-finished or finished products, rejections, government regulations or omissions, force majeure;
 - c) if the buyer fails to fulfil his contractual obligations, particularly if the buyer does not comply with the payment conditions.
- 6.3 Late deliveries or performances do not entitle the buyer to any rights and claims. This reserve does not apply to unlawful intention or gross negligence by the supplier, but it does apply also to unlawful intention or gross negligence by auxiliary persons.
- 6.4 On-call orders must be called in such a way that the last delivery can take place at the latest 12 months after the date of order. After this date storage fees and interest are put to account.
- 6.5 The quantity ordered will be delivered with the usual tolerance of +/- 10%.

7. Packing

Packing is specially invoiced by the supplier and not taken back by him. If packing is declared to the property of the supplier, the buyer will return it free of cost to the point of departure.

8. Passage of right of use and risk

- 8.1 Right of use and risk is passed on to the buyer at the latest when the deliveries leave the works.
- 8.2 If delivery is delayed upon the buyer's request or because of other reasons the supplier is not answerable for, the risk originally prescribed at the time of delivery from the works is passed on to the buyer. As of this moment, the deliveries are stored and insured for the account and at the risk of the buyer.

9. Tools

Tools and installations required for the execution of an order remain the exclusive property of the supplier. Tooling cost due to design changes are borne exclusively by the buyer. Tools and installations can be destroyed if no new order is received within 5 years.

10. Shipment, transportation and insurance

10.1 The supplier shall be informed in due time of any special requests concerning shipment, transportation and insurance. Transportation takes place for the account and at the risk of the buyer. The buyer addresses all complaints concerning the shipment or the transportation to the last carrier immediately upon receipt of the deliveries or the consignment documents.

10.2 Insurance against damages of any kind is incumbent upon the buyer.

11. Inspection and receipt of deliveries and performances

11.1 The customary inspection of deliveries and performances before shipment is incumbent upon the supplier. If the buyer requests additional inspections, these will be specifically agreed upon and paid for by the buyer.

11.2 It is the buyer's duty to inspect deliveries and performances within 30 days and to inform the supplier immediately and in writing of any defects. Should he abstain from this, the deliveries and performances shall be deemed as accepted.

11.3 The defects notified to the supplier according to § 11.2 shall be remedied as quickly as possible by the supplier, the buyer giving him the possibility to do so.

11.4 The execution of an inspection as well as the establishment of the conditions in force require a special agreement.

11.5 The buyer has no special rights and claims for defects of any kind in the deliveries or performances except those explicitly listed in § 12 (warranty and guarantee against defects).

12. Warranty and guarantee against defects

12.1 Defects must be notified in detail, and in writing and accompanied by proof samples within 30 days after reception of delivery. Faulty parts must be returned to the supplier as received in the original packing. If the claim is justified, the supplier is liable either for compensation free of charge or for a credit note.

12.2 Warranty characteristics are limited to those listed as such in the specifications and drawings.

12.3 Excluded from warranty and guarantee against defects are damages demonstrably not attributable to bad material, faulty construction or defective execution, due for example to natural wear and tear, inadequate maintenance, disregard of working regulations, excessive strain, inadequate operating material, chemical or electrolytic influences, building or assembly operations not executed by the supplier, as well as other reasons for which the supplier is not answerable.

12.4 The buyer has no additional rights and claims neither for material, construction and execution defaults nor for the lack of guaranteed characteristics.

13. Exclusion of additional liability of the supplier

All cases of breach of contract and their legal consequences as well as claims by the buyer, irrespective of their legal justification, are conclusively regulated in the present conditions. In particular, all not specifically listed claims for damages, decrease in value, annulment or rescission of contract are excluded.

In no case do the buyer's claims for compensation for damages exist which develop on the delivered object itself, such as loss of production, loss of use, loss of orders, loss of profit as well as other indirect or direct damages.

This exclusion of liability does not apply in the case of unlawful intention or gross negligence of the supplier, it is, however, applicable also in the case of unlawful intention or gross negligence by auxiliary persons.

In addition, the above exclusion of liability does not apply if it infringes stringent law.

14. Court of jurisdiction and applicable law

14.1 The court of jurisdiction for both the buyer and the supplier is the registered place of business of the supplier. However, the supplier is entitled to sue the buyer at his registered place of business.

14.2 The legal relation is subject to Swiss substantive law.

The legally binding version of these general terms of delivery is German. The present General Sales and Delivery Conditions are based on the regulations of October 11, 1991 of the Swiss Turned Parts Association.

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