

General delivery conditions

1. General conditions

- 1.1 The contract is concluded by the written confirmation of order acceptance by the supplier (order confirmation). Quotes without the written confirmation and those that do not contain any acceptance period will be non-binding.
- 1.2 These delivery conditions are binding only when they are declared applicable in the quote or in the order confirmation. Non-confirming conditions from the purchaser are only valid if expressly acknowledged by the supplier in writing.

2. Scope of Supply and Services

The supplies and services of the supplier are fully specified in the order confirmation.

3. Plans and Technical Documentation

- 3.1 Unless otherwise agreed upon, brochures and catalogues are not binding.
- 3.2 Each party to the contract retains all the rights to plans and technical documentation provided to the other. The receiving contractual party acknowledges said rights and shall not make the documentation available to third parties, in total or in part, without prior written authorisation of the party or utilise same for purposes other than those for which they were provided.

4. Prices and Payment terms

- 4.1 Unless otherwise agreed upon, all prices shall be deemed to be ex works, 30 days net, excl. packaging, in Swiss francs, and without any deductions.
- 4.2 An appropriate price adjustment shall apply in the event the delivery time has been subsequently extended due to any reason stated in cypher 6.2 or any documents furnished by the purchaser were not in conformity with the actual circumstances, or were incomplete.
- 4.3 Unless otherwise agreed upon, payments shall be made at the supplier's domicile without any deductions for cash discounts, expenses, taxes, levies, fees, customs duties, and the like.
- 4.4 If the purchaser fails to comply with the agreed payment terms, default interests shall be paid from the agreed due date without a reminder being issued. The right to claim further damages is reserved.

5. Reservation of Title

The supplier shall remain the owner of all supplies until having received the full payments in accordance with the contract. During the period of the reservation of title, the purchaser shall, at his own costs, maintain the

supplies. Furthermore, the purchaser will take any measures required to ensure that the claim to ownership of the supplier is neither prejudiced or invalidated.

6. Delivery Quantity and Delivery Period

- 6.1 The delivery time shall start as soon as the contract is entered and the product requirements have been adjusted. The delivery period shall be deemed met if readiness of dispatch has been advised by the expiry of said period.
- 6.2 The delivery period shall be reasonably extended:
 - a) If the information required by the supplier for performance of the contract is not received in time, or if the purchaser subsequently changes it thereby causing a delay in the delivery of the services;
 - b) If hindrances occur which are beyond the supplier's control despite taking due care irrespective whether the cause rests with itself, the customer or a third party. Such hindrances include, but shall not be limited to, epidemics, mobilisation, war, revolution, serious breakdown in the works, accidents, labour conflicts, late or deficient delivery by subcontractors of raw material, semi-finished or finished products, scrap, actions or omissions by state authorities, or natural phenomena.
 - c) If the purchaser is in delay of performance with respect to any of his contractual obligations, in particular if he fails to comply with terms of payment.
- 6.3 Any delay of the supplies does not entitle the purchaser to any rights and claims. This restriction shall not apply if the supplier has acted with unlawful intent or with gross negligence, but it shall also apply in the event of a person employed or appointed by the supplier having acted with unlawful intent or with gross negligence.
- 6.4 Unless otherwise agreed upon, release orders must be released in the way so that the last delivery can be executed at least 12 months after the order date. After that date, storage expenses and interests shall be charged.
- 6.5 Unless otherwise agreed upon, the ordered quantity shall be delivered with the tolerance usual in the industry of $\pm 10\%$.

7. Packaging

Packaging shall be charged for separately by the supplier and shall not be returnable. However, if it is declared property of the supplier, it shall be returned by the purchaser, carriage paid, to the place of dispatch.

8. Transfer of Benefits and Risks

- 8.1. Benefit and risk shall be transferred to the purchaser on the latest on departure of the shipment ex works.
- 8.2. If dispatch is delayed at the request of the purchaser, or due to reasons beyond the supplier's control, the risk of the supplies shall pass to the purchaser at the time originally foreseen for their leaving the works. The deliveries will be stored thereafter at the expense and at the risk of the purchaser.

9. Tools

Tools and equipment required to execute the contract remain the exclusive property of the supplier. Tool costs due to drawing changes shall be exclusively borne by the purchaser. If no new orders are placed within 5 years, tools and equipment may be disposed of.

10. Shipment, Transport and Insurance

- 10.1. Special requests regarding shipment, transport, and insurance shall be communicated to the supplier in due time. The transport shall be at the purchaser's expense and risk. Claims in relation with the shipment or transport shall be filed by the purchaser immediately upon receipt of the delivery or the shipping documents to the last carrier.
- 10.2. The purchaser shall be responsible for establishment of insurance against risks of any kind.

11. Inspection and Acceptance of Deliveries and Services

- 11.1. As far as being normal practice, the supplier shall inspect the supplies and services before dispatch. If the purchaser requests further examinations, these will require special agreement and will be borne solely by the purchaser.
- 11.2. The purchaser shall inspect the supplies and services within 30 days and shall immediately notify the supplier in writing of any deficiencies. Should the purchaser fail to do this, the deliveries and services shall be deemed to be approved.
- 11.3. Having been notified of deficiencies according to cypher
- 11.2. The supplier shall remedy them as soon as is possible and the purchaser shall grant the supplier the possibility to remedy.
- 11.4. The performance of an acceptance test and the determination of conditions thereof shall require a specific agreement.
- 11.5. Deficiencies of supplies or services shall not entitle the purchaser to any rights and claims other than those expressly stipulated in cypher 11 and cypher 12 (warranty, liability for defects).

12. Warranty, Liability for Defects

- 12.1. Notices of defects must be made within 30 days of receipt in detail, in writing and with the provision of samples. Defective parts shall be returned to the supplier in the condition they were delivered, and where possible, in the original packaging. Provided that the complaint is justified, the supplier shall provide replacement without charge or a credit note.
- 12.2. Guaranteed characteristics are only those explicitly mentioned in the specifications and drawings.
- 12.3. Excluded from the supplier's warranty and liability are any deficiencies which cannot be shown to be the result of bad material, faulty construction or poor workmanship but which, for example, result from natural wear and tear, inadequate maintenance, failure to observe operating instructions, overloading, the use of unsuitable material, chemical or electrolytic influences, building or assembly work not carried out by the supplier, as well as other factors as may arise and any other reasons not attributable to the supplier.
- 12.4. The purchaser has no further rights and claims due to faulty material, construction or execution as well as the lack of guaranteed characteristics.

13. Exclusion of further Liability of the Supplier

All cases of breach of contract and the consequences thereof, as well as all rights and claims on the part of the customer, irrespective on what ground they are based, are fully covered by these conditions. Excluded in particular are all claims, not expressly mentioned: for damages, reduction of purchase price, cancellation of the contract or withdrawal of the contract. Under no circumstances shall the purchaser have any compensation claim for damages which were not sustained by the delivered goods themselves, namely production stoppages, production losses, lost orders, lost profit, and other direct and indirect damages. This exclusion of liability shall not apply for illegal intent or gross negligence on the part of the supplier, but will apply to illegal intent or gross negligence on the part of persons employed or appointed by the supplier. This exclusion of liability does not apply as far as it is contrary to compulsory law.

14. Place of jurisdiction and applicable law

- 14.1. The place of jurisdiction for both the purchaser and the supplier shall be **at the registered office of the supplier**. The supplier shall, however, be entitled to sue the customer at the latter's registered address.
- 14.2. The legal relationship shall be governed by Swiss substantive law.

THE GERMAN VERSION ALONE SHALL BE LEGALLY BINDING.

binder precision parts ag, 2540 Grenchen, April 2016