

General Terms of Purchase

(Edition December 2008)

1. Validity

Exclusively our General Terms of Purchase shall apply to our orders. By accepting our order, the supplier accepts our General Terms of Purchase. Additional or deviating terms and conditions, in particular the supplier's general terms of sale, shall be valid only if agreed upon in writing.

2. Conclusion of Contracts

The purchase contract shall be deemed concluded once we have issued the order in writing and once the supplier has issued written confirmation of the order. If no such confirmation is issued within 4 working days, we shall be entitled to assume that the order has been accepted at the stated terms and conditions. If no agreement is able to be reached with regard to application of our General Terms of Purchase we shall be entitled to cancel the order without incurring any consequential costs whatsoever.

3. Prices

Unless otherwise agreed, the prices agreed on are fixed prices. Price increases shall only be possible with our written consent.

4. Delivery Times

Delivery times are binding and shall be adhered to by the supplier. In case of non-adherence to the delivery times agreed on, we shall be entitled to refuse acceptance of any subsequent deliveries, to withdraw from the contract and to claim compensation for damage incurred as a result of non-fulfilment of the contract.

5. Quantities

The specified quantities shall be strictly adhered to. Partial deliveries will be accepted provided that they have been agreed upon in writing. If partial shipments are carried out without prior consultation with us, the extra costs are at the expense of the supplier.

6. Dispatch, Transportation and Packing

The terms included in the order shall be observed for the transport. If no such terms are specified, Incoterms 2000 - FCA shall apply to all consignments (free carrier) ex works, packing included. Ex works means the location mentioned in our order.

Each consignment shall be accompanied by a delivery note stating order number, our article numbers, quantities, our buyer and the supplier. Each item of the consignments shall be given a visible designation.

The supplier shall see to due and proper packing. Reusable packaging materials will only be paid for if the price is refunded upon return of such materials.

7. Quality and Liability

The supplier shall guarantee that the supplied item has no defects which may affect its value or its suitability for its designated use. In addition, the supplier shall guarantee that the supplied item possesses the required characteristics, and that it conforms with the prescribed performance features, specifications and any separate agreements as well as to the applicable laws, regulations, valid standards and other provisions.

The supplier undertakes to remedy notified defects free of charge, or to supply perfect replacement, at our discretion. If neither remedy nor replacement is provided within the time set by us we shall be entitled to withdraw from the contract and procure replacement from third-party suppliers, whereby the supplier shall cover any additional costs incurred as a result of this procedure.

We reserve the right to claim additional compensation for damage incurred.

The guarantee period shall in no way whatsoever cause any restriction of further reaching legal rights, in particular with regard to product liability and extent of the period. In cases in which the damage incurred can be attributed to the supplied product, the supplier undertakes to assume liability towards the claimant, without proof of intention or negligence being required, and to hold us safe and harmless if claims are filed against us as a result of such damage.

If nothing to the contrary has been agreed on, inspection of the supplied goods and any notification of defect will be made within 20 working days. We are entitled to notify identifiable defects at any time until the total quantity has been resold to the final customer.

Possible return consignments of defective pieces are at the expense of the supplier.

Neither payments made, nor confirmation of acceptance issued shall affect our right to issue notifications of defect.

8. Secrecy

All data, drawings, models, tools and the like which we may place at the supplier's disposal for the production of the supplied item shall remain our property, and shall neither be used for other purposes, nor rendered accessible to third parties, nor copied in any way. All proprietary rights shall remain with us. On request, all documents with all copies and duplicates as well as all items shall be returned to us without delay.

The supplier shall hold full responsibility and liability for ensuring that purchase and use of the supplied items does not infringe upon third-party patent or protective rights. The supplier undertakes to hold us safe and harmless if third parties should file claims, for damage or otherwise, as a result of such infringement of patents or protective rights.

9. Invoices and Payment

Invoices shall be dispatched separately to the purchaser for each order and shall not be enclosed to the consignment of the goods, if nothing else has been agreed upon. On the invoice, the order number, the delivery date and the purchase prices per article have to be clearly identifiable.

If nothing to the contrary has been agreed on, we will pay invoices within 15 days, less 2% anticipation discount, or net within 45 days, in each case after receipt of the correct shipment and invoice and any specified documents such as instructions for use or installation.

We reserve the right to effect offsetting of counter-claims.

10. Place of Performance, Place of Jurisdiction and Applicable Law

Place of performance for delivery and payment shall be Effretikon ZH.

With reserve as to contractual arrangements to the contrary, the place of jurisdiction shall be Pfäffikon ZH for both parties.

If we stand as plaintiff we have also the right to institute legal proceedings at the legal domicile of the supplier or to appeal to any other appropriate court of justice.

Swiss law shall be applicable to all disputes.

These General Terms of Purchase are a translation of our document "Allgemeine Einkaufsbedingungen" in German. The German version shall be authoritative in case of disputes arising in this context.

