

1. Exclusive validity

- 1.1. Unless expressly agreed otherwise in writing, these General Terms and Conditions of Purchase apply to all our purchases.
- 1.2. The supplier's General Conditions of Delivery apply to our purchases only if we have expressly accepted them in writing.

2. Order procedure, quantity

- 2.1. Our orders are only binding if they are made or confirmed by us in writing. The same applies to any amendments made to existing orders.
- 2.2. The supplier shall confirm the order within three working days. The quantity delivered shall correspond exactly to the order.

3. Subcontracting

- 3.1. The supplier shall bear unlimited liability for the delivery of any drawn parts obtained from a subcontractor. The supplier shall advise us in advance of any subcontracting. We are entitled to reject any proposed subcontractor within two working days.
- 3.2. The supplier undertakes to impose a confidentiality obligation on his subcontractors, which shall be equivalent to that imposed by us on him.

4. Prices

- 4.1. The agreed prices are fixed prices, exclusive of VAT and cannot be increased by any kind of surcharge.
- 4.2. In addition to the legal requirements, all invoices shall contain the following: Order and material number, documents regarding due fulfilment (consignment note, delivery note, etc.), indication of whether it is a partial or final delivery, country of origin and customs tariff number for each item.

5. Provision of material

- 5.1. Any material, parts or components supplied by us for the execution of the purchase order remain our property even after they have been machined or processed. Unused material, parts, components and waste shall be automatically returned to us.
- 5.2. Tools and models which we make available to the supplier or which are custom-made for us remain our property and shall not be made accessible to third parties for inspection or use without our written consent.

6. Delivery time, consequences of delays and contractual penalties

- 6.1. The delivery deadline has been met if the goods ordered arrive at the destination mentioned in the purchase order by the agreed delivery date.
- 6.2. If the agreed delivery date is not met, we reserve the right to seek legal settlement of all our claims.
- 6.3. Should necessary documents or other objects or parts not be provided by us, the supplier can only cite this if he requested these in due time or, where dates were agreed, he sent a reminder without delay.
- 6.4. A contractual penalty of 0.5% per week shall become due if the supplier falls behind schedule, but not more than 5% of the total purchase price. The penalty is likewise due if the order is only conditionally accepted. Payment of the contractual penalty shall not release the supplier from his other contractual obligations by.

7. Packaging, transport, documentation, property and risk

- 7.1. In the absence of other shipping instructions, the goods shall be delivered according to Incoterms 2010 DDP (named destination) to the site of the respective Wandfluh AG. (see No. 12)
- 7.2. The supplier is liable for any damage resulting from inappropriate packaging.
- 7.3. The supplier shall notify us of the relevant provisions for products which need to be stored under specific conditions.

- 7.4. The supplier shall indemnify us for all costs and losses resulting from failure to comply with our instructions.

8. Documentation

- 8.1. Each shipment shall be accompanied by a detailed delivery note with notice of dispatch (report / works' certificate if required) containing our references.
- 8.2. All correspondence shall contain our purchase order number and the shipping documents must also include the gross and net weight.
- 8.3. Should the requisite shipping documents and certificates not be delivered in conformity with stipulations, then the invoice will not be due for payment until the shortcomings have been remedied.
- 8.4. The supplier shall ensure traceability at all times.

9. Transfer of property and risk

- 9.1. The transfer of ownership and risk shall take place when the goods are handed over at the destination (place of delivery) or on acceptance on site.

10. Acceptance and warranty

- 10.1. The goods shall be tested prior to delivery. We also reserve the right to test the goods ourselves. If the delivery complies with our order (full compliance with quality requirements), it will be accepted, but not otherwise. The supplier thus waives his objection to a belated notification of defects by Wandfluh, according to OR Art. 201 II and 367 (Swiss Code of Obligations)
- 10.2. The supplier shall guarantee that the goods have no defects adversely affecting their value or their suitability for the intended purpose and that they conform to the agreed characteristics and the required performance specifications, as well as to all relevant laws, regulations and other provisions. Unless otherwise agreed, a guarantee of 12 months shall apply. The supplier undertakes to take out public liability insurance against any damage or consequential damage (especially product liability) to a guaranteed amount of at least 5 million CHF and to send us a copy of the insurance policy on request.
- 10.3. Should it become apparent during the guarantee period that the goods or a part of the goods do not comply with No. 10.2, the supplier shall either rectify the defects without delay on the spot, at his own expense, or have them rectified or supply us free of charge with replacements free from defects.
- 10.4. In the event of disputes concerning quality, the result of analyses and tests on control samples carried out by independent, legally recognised testing institutes is paramount. The cost of this sampling shall be borne by the party at fault.
- 10.5. Statutory warranty claims for rescission, price reduction and compensation shall not be affected.

11. Drawings, test certificates, operating instructions, tools and testing equipment

- 11.1. Our approval of fabrication drawings shall not relieve the supplier from his responsibility for the goods. The final fabrication plans, test certificates, maintenance and operating instructions and spare parts lists to ensure proper servicing of the goods shall be submitted to us at the latest on delivery, in the language and quantity requested.
- 11.2. The drawings, tools, models, etc. provided to the supplier by us shall remain our property and are to be returned to us automatically on completion of the order.

12. Liability / product liability

- 12.1. The supplier shall be liable for any damages resulting from the non-performance or inadequate performance of the order. In particular, the supplier shall be liable for any subsequent costs due to quality defects (i.a. expenses incurred by Wandfluh AG for material and personnel).

12.2. The Supplier shall explicitly and fully release Wandfluh AG from all claims of third parties relating to products or services in relation to product liability, environmental protection and the protection of intellectual property rights and shall keep Wandfluh AG indemnified in full.

12.3. Furthermore, statutory provisions apply.

13. Purchaser's right to rescind

13.1. Wandfluh AG is entitled to rescind the order, either in full or partially, at any time. The supplier shall be notified in writing of such a rescission. In this event, the supplier is entitled to compensation for work carried out and outlays. The supplier shall justify these cancellation costs in full and provide the corresponding proof. The indemnity payments shall not exceed the amount payable to the supplier if the order had not been terminated.

14. Confidentiality

14.1. The supplier shall treat the purchase order and all related work, information or goods as confidential.

14.2. The data, drawings, models, samples, tools, etc. which we may entrust to the supplier for drafting his bid or manufacturing the goods shall not be used for any other purpose. We reserve all intellectual property rights. On request, all documents shall be returned to us without delay. If the delivery does not take place, the supplier shall automatically return all documents. The same applies on completion of the contract. The confidentiality obligation extends 5 years beyond termination of the customer/supplier relationship.

14.3. If the supplier engages any subcontractors, he is obliged to sign a confidentiality agreement with any sub-supplier and, if requested, to submit a copy of this to us. In addition, where subcontracting is concerned, No. 3 shall apply.

15. Terms of payment

15.1. Payments shall be made subject to the agreed conditions.

15.2. Where payments are made in advance, the supplier shall provide a banker's or insurance guarantee to be defined. All charges for this shall be at the supplier's expense.

16. Place of performance, applicable law and place of jurisdiction

16.1. Unless otherwise agreed in writing, the place of performance shall be the Wandfluh company making the order.

16.2. The contract shall be governed exclusively by Swiss substantive law.

16.3. Place of jurisdiction is the place of business of the Wandfluh company making the order.

16.4. Wandfluh is also entitled to prosecute the supplier at his place of business.