

1 General

- 1.1 The following conditions of purchase govern the conclusion, content and fulfillment of sales and service contracts between the supplier or company (hereinafter referred to as: the supplier) and Schleuniger AG (hereinafter referred to as: SCHLEUNIGER).
- 1.2 By submitting an offer or accepting an order, before which the supplier was informed about the general conditions of purchase by SCHLEUNIGER, the supplier agrees to the following conditions.
- 1.3 Any additional or deviating conditions, especially for the terms of delivery of the supplier, are only valid if they have been agreed in writing.

2 Order

- 2.1 Orders are only binding if they have been confirmed by SCHLEUNIGER in writing (via post, via telefax, e-mail).
- 2.2 Unless both parties have explicitly agreed otherwise SCHLEUNIGER shall not be obliged to pay for the submission of an offer or the delivery of related plans, samples and models.

3 Alterations to the order

- 3.1 SCHLEUNIGER can insist on the alteration of deliveries and services as long as their basic nature remains unchanged and the alterations are reasonable for the supplier. In case SCHLEUNIGER decides to alter an order the following terms apply.
- 3.2 The alterations to the order will be agreed in writing prior to the execution of the order. In case of additional or reduced costs or if contractual deadlines have to be adjusted the respective matter shall be discussed immediately and be put down in writing. If this is not done the payment and contractual deadlines originally agreed on will apply.
- 3.3 If possible, additional or reduced costs will be calculated on the original cost basis. If no agreement can be reached SCHLEUNIGER may ask the supplier to execute deliveries and services on a time and material basis or execute them alone under indemnity of the supplier and according to and within the scope of article 3.4 below or have them executed by a third party.
- 3.4 SCHLEUNIGER shall indemnify the supplier for any provable expenditure that occurred before the alteration of the order and has thus become useless.
- 3.5 In any case, the supplier will be responsible for any alterations that are required for the fulfillment of contractual or predetermined obligations. This will not apply in cases where SCHLEUNIGER is responsible for incorrect or missing information.

4 Materials

- 4.1 Materials (documents, drawings, photographs, data carriers, films, plans, tools, models, samples, etc.) which are provided by SCHLEUNIGER will remain SCHLEUNIGER's property and are to be returned on request within 10 days.
- 4.2 Before the start of production the supplier checks if the products ordered correspond to the materials provided (same version, revision, same article description, etc.) If there are any differences the supplier will contact SCHLEUNIGER before the start of production in order to request the correct materials. If the supplier violates this obligation he will be solely responsible for any detrimental consequences.
- 4.3 Without the consent of SCHLEUNIGER the supplier is prohibited to copy materials or reproduce materials in any other way and to submit or make materials available to third parties for any kind of use.
- 4.4 The supplier is obligated to store and insure materials appropriately.

5 Quality Management

- 5.1 The supplier maintains a certified quality management system according to SN/EN/ISO 9000 or another quality

management system that has been approved by SCHLEUNIGER in writing.

- 5.2 The regulations, standards and laws that SCHLEUNIGER explicitly refers to in the order documents shall be predominant. If such references are missing the regulations and standards customary in this field of industry as well as the Swiss laws will apply.
- 5.3 The supplier ensures with appropriate measures that his sub-suppliers can guarantee the quality expected by SCHLEUNIGER and, if required, creates a quality assurance agreement with his sub-suppliers.
- 5.4 Changes in the production process that may lead to a loss of quality or changes of the specifications have to be communicated to SCHLEUNIGER in writing.
- 5.5 The supplier has to ensure quality by conducting appropriate tests and by monitoring processes. The tests to be conducted have to be specified in process documents, and the results of the tests and monitoring processes have to be documented.
- 5.6 If the supplier believes that faulty products can be accepted by SCHLEUNIGER he has to make a request for an exceptional approval. A copy of the written approval has to be enclosed to each delivery.
- 5.7 If SCHLEUNIGER notices faulty products it can demand a written statement including proposals for corrections and preventive measures.
- 5.8 The supplier has to ensure that the quality of the products is not compromised during handling, storage, packing, preservation and delivery.

6 Secrecy, duty of disclosure and allegiance

- 6.1 If during the preparation or execution of the tasks one contractual party receives knowledge which the other party for obvious reasons or due to the present circumstances wants to keep secret from third parties it is obligated to maintain secrecy. This also applies after the end of the contractual relationship.
- 6.2 The supplier is obligated to immediately inform SCHLEUNIGER in writing about circumstances which may compromise the correct and timely execution of the tasks indicating the reasons and, in case of a delay, the expected duration. If the supplier violates this obligation he will solely be responsible for any detrimental consequences.

7 Prices

- 7.1 Unless agreed otherwise the prices quoted shall apply as fixed prices exclusive of VAT. Price changes are only possible under a mutual written agreement.
- 7.2 Payment of the invoice is to be made within 60 days net from date of the invoice. Payment of invoices is subject to examination and made as soon as has been confirmed that the delivered products and/or services correspond to the ones ordered.
- 7.3 Due to formal requirements all invoices have to correspond to VAT laws. When delivering goods the origin of the goods and the customs tariff number have to be indicated.

8 Sub-contractors and sub-suppliers

- 8.1 The supplier is responsible for his own deliveries and for deliveries made by a sub-contractor or sub-supplier.

9 Delivery

- 9.1 The delivery dates indicated in the orders and confirmed by the supplier are binding deadlines
- 9.2 If a deadline is adjusted due to a delay in delivery the default of delivery also occurs without any reminder on expiry of the delivery deadline.
- 9.3 From the date of default of delivery the supplier owes a contract penalty of 0.33 % per calendar day (but never more than 16 %) calculated on basis of the total amount of the invoice. Payment of the contract penalty shall not release the supplier from other contractual obligations.
- 9.4 SCHLEUNIGER can abstain from the delivery after unsuccessfully setting a reasonable, final deadline.
- 9.5 Early delivery is only permissible in consultation with SCHLEUNIGER.

10 Use and risk

- 10.1 Use and risk are transferred to SCHLEUNIGER when handing over the goods at the place of destination.

11 Rights to the results of the work

- 11.1 SCHLEUNIGER has unlimited rights to the results of the service which is delivered by the supplier when executing the order. SCHLEUNIGER may in any manner change, copy and re-use the results.

12 Minimum guarantee and warranty

- 12.1 The supplier guarantees that the products show no faults affecting value or quality, that they possess the features indicated and that they correspond to the specifications agreed in the contract and are in accordance with the relevant statutory regulations (e.g. approval requirements). Furthermore, the supplier guarantees that the products delivered are in accordance with international regulations RoHS 2015/863/ EU, the REACH-Regulation EG No. 1907/2006, the US Regulation regarding Conflict Minerals "Dodd Frank Act" and also the UN Globally Harmonized Systems of Classification and Labeling of Chemicals (GHS)
- 12.2 The guarantee period is at least 24 months and starts with the delivery at the place of destination. If the contractual parties have agreed to an acceptance process the guarantee period begins after successful execution of the acceptance process.
- 12.3 Within the guarantee period every notice of defects shall be legally valid.
- 12.4 If during the guarantee period it is noticed that the delivered goods or part of the goods do not conform to the assurance in accordance with article 12.1 the supplier is obligated to provide SCHLEUNIGER with substitutes that are free of defects and to cover the full costs for transport, substitution and other relevant factors.
- 12.5 If a faulty delivery requires a receiving inspection that exceeds the usual extent the supplier shall cover all related additional costs.
- 12.6 The supplier is legally liable for all defaults concerning product liability as well as all expenditures necessary avoid such damage that SCHLEUNIGER or a third party experience due to any faultiness of products.
- 12.7 The supplier is liable for ensuring that no property rights of third parties are violated due to the use of the delivered products and services by SCHLEUNIGER.
- 12.8 If delivered products or components use property rights of third parties the supplier ensures that he has negotiated a licensing agreement with the owner of the rights which grants the free use of these products or components together with the equipment or systems of SCHLEUNIGER.

13 Spare parts / maintenance

- 13.1 Unless otherwise agreed the supplier ensures maintenance of the products and delivery of spare parts for ten

years after the last product delivery and at reasonable prices.

14 Right to carry out audits

- 14.1 The supplier guarantees SCHLEUNIGER that it can perform audits and by appointment grants comprehensive access rights to all areas where the delivered products are produced, tested and stored as well as access to relevant processes, documents and quality documentation.

15 Protection of workers and equality

- 15.1 For services within Switzerland the supplier shall adhere to the safety regulations and conditions of employment for his employees (collective employment agreements or standard employment contracts; where these are not available working conditions common for the respective location and profession shall apply). The supplier shall also respect the legal regulations for equal treatment of men and women.

16 Legal succession

- 16.1 Rights and obligations part of the contractual relationship between supplier and SCHLEUNIGER may only be transferred to a third party upon approval of the two aforementioned parties.

17 Place of jurisdiction and applicable law

- 17.1 Swiss law shall apply under the exclusion of the Vienna Convention on the Sale of goods. The place of jurisdiction is Thun.
- 17.2 SCHLEUNIGER reserves the right to assert its rights before another court with jurisdiction in Switzerland or Germany.