

General Sales and Delivery Terms (08/2014)

1. **General Provisions** The following terms exclusively are applicable to our offers, sales and deliveries. The placing of an order demonstrates the purchaser's complete agreement with them. Divergent terms are only valid when they are specifically agreed upon and are confirmed by us in writing. The alteration of any individual term does not affect any other. The purchase terms of the buyer are not binding on us, even when we do not expressly oppose them. Rights and duties stemming from the sales agreement shall not be transferred to other persons without our express consent.
2. **Offers** Offers shall be fixed for 60 days; thereafter, they are no longer binding, even when not specifically agreed upon.
3. **Orders** Orders shall only be deemed to be accepted when they are confirmed in writing; oral acceptances are only valid insofar as they are confirmed in writing.
4. **Prices** Our prices are not binding and are ex works, excluding packaging (Incoterms 2010). If material or labour expenses, or other costs, undergo substantial change between the conclusion of the contract and delivery, we reserve the right to increase prices for additional costs when subsequent delivery delays occur for which we are not responsible, or the size of deliveries, i.e. performances, agreed upon changes because the documents delivered by the purchaser do not correspond to the actual circumstances or are incomplete.
We reserve the right to charge a minimum amount for small deliveries.
5. **Delivery** For each order, the agreement on the term of delivery remains reserved. When making a shipment is impossible without our having been at fault, the delivery term is deemed to have been observed upon the announcement of shipping readiness. Partial deliveries may not be rejected by the buyer. Deliveries larger or smaller than the amount ordered, varying by up to 10 per cent of the ordered amount, are admissible. An obligation to comply with the delivery term agreed upon can only be assumed under the presumption of an uninterrupted manufacturing process. The consequences of force majeure, breakdown of the operation, official measures, lack of raw or auxiliary material, the failure of important supplies to be delivered to us or to our suppliers, or any other unforeseen circumstances entitle us to completely or partially suspend our delivery obligations. The non-observance of confirmed delivery terms shall not justify claiming indemnification or withdrawal of orders. When obstacles to delivery have occurred which cannot be removed within a reasonable time, we reserve the right to cancel the agreement with corresponding notice to the purchaser. Indemnification claims due to non-performance or delayed performance are excluded. Upon leaving the factory, the full risk passes to the purchaser, namely in the moment of the beginning of the loading process.
6. **Notices of Defects** We shall only take into consideration complaints arising from deficient or incomplete delivery or performance when they are brought to our attention no later than 8 days after receipt of the delivery. We are liable for defects only within the framework of the following terms.
7. **Warranty** We guarantee our good quality and careful manufacture of our products for a period of twelve months (calculated as of shipping date) and repairs for a period of three months. This warranty exclusively covers material and manufacturing defects that appear during this period. Our warranty does not cover the natural wear and tear of parts as well as any damage, nor the consequences therefrom caused by improper handling, negligence, excessive usage or non-observance of installation and service provisions. Our warranty expires immediately and fully when modifications or repairs are undertaken without our consent.
- 7.1 **Additional Functional Warranty for Engineering Orders** This relates to the performance of a technical function of a control, corresponding to the amended and confirmed duties record book. Such a functional warranty is granted only under the following conditions:
 1. A written order for the design of a control has been given.
 2. All technical information for the design as well as the desired functions of the control are stated in writing in a duties record book and conveyed to us.
 3. We have confirmed the technical functions according to the duties record book or informed the purchaser in writing of the necessary corrections and their causes prior to the realization of the control.If the functions agreed upon have not been achieved subsequent to the acceptance of the control, we shall remove the cause of the problem. If the cause of the problem is traced to a defective part, the warranty provisions for the delivery of product are applicable. When, however, the source of the problem can be traced to the purchaser, the purchaser must bear the cost of replacement and the investigation into the problem.
If the problem can be traced to an incorrect interpretation of the control, we will also carry the assembly cost in addition to that for the diagnosis of the problem and its remedy, as long as the object in question is located in Switzerland or with the principal.
If the problem can be traced to improper assembly, we are liable only if we have undertaken the assembly on behalf of the customer.
The warranty term commences on the day of shipping readiness in our operation or, when the assembly is performed by us as well, on the day such assembly begins.
8. **Liability for Defects** We are liable for defects only according to the legal provisions. Our liability for defects is limited exclusively to the obligation to replace defective parts, insofar as this is possible, without charge. The parts in question shall be sent back to us at our request and shall revert to our ownership. We do not grant indemnification of any kind, especially indemnification for loss of profit and consequential costs, etc. The buyer also has no right to a reduction of the price, replacement, rescission or revocation. For parts supplied by other companies delivered as elements of our products, only those obligations are accepted which our suppliers have entered into themselves. The return of defective products requires our prior approval.
9. **Retention of Title** The delivered product remains our property until complete payment has been made therefor. The buyer may, however, further process the product within the framework of an orderly business operation and dispose thereof.

10. Treatment Customers' goods disposed for treatment process which are damaged or destroyed during the treatment and handling process in our factory, we will pay for damage up to the maximum amount of the agreed price of the order. Any exceeding liability is excluded.

11. Payment Domestic deliveries are payable net without deduction within thirty days after the invoice issue date. For export transactions, the payment terms determined in the order confirmation are applicable. The purchase price is payable forthwith if the buyers is overdue with other payments owed to us or if we hear of the instability of the purchaser's financial situation or bankruptcy, settlements, in or out of court, or protest of a bill of exchange. In these cases, we are entitled to make deliveries still outstanding only upon prepayment as well as to cancel the contract or to request indemnification due to non-performance.

The buyer is not entitled to withhold payments in view of any counterclaims or to offset them against such counterclaims.

12. Drawings, Samples, Tools and Forms Drawings, prototypes, samples, documents and draft belonging to our company may not be made known to any third parties by the recipient and remain our property. Violation of this provision requires full indemnification. Drawings or documents sent with offers are to be immediately returned by the recipient when no order is made. Tools and forms remain our property, even when pro rata costs are charged.

13. Cancellation and Storage In the case of cancellation on the part of the purchaser, we are entitled to charge the purchaser for the costs incurred. Products that cannot be shipped after expiration of the delivery term at the request of the purchaser shall be charged by us and payment therefor shall be demanded after expiration of the payment term. Storage of the products at our facilities shall be the risk of the purchaser.

14. Place of performance and Litigation The place of delivery is the agreed named place of destination. The place of payment is our business domicile. The contract is based on Swiss material law. The applicability of International commercial terms follows the conditions of Incoterms 2010. The applicability of the conditions of UN agreement of April 11, 1980 is excluded. The place of litigation for all litigation arising from the agreement is our business domicile. We furthermore reserve the right to file suit against the customers at his domicile.