

General Terms and Conditions of Purchase (GTCP)

1. Scope of Application

The Supplier acknowledges the General Terms and Conditions of Purchase (GTCP) of Häni + Co. AG, 3296 Arch (hereinafter: the "Purchaser") for ongoing deliveries as well as for all future business relations. These GTCP shall apply for an indefinite period unless amended by written agreement between the parties. Where these GTCP of the Purchaser do not contain any provisions, the provisions of the Swiss Code of Obligations and other applicable Swiss laws and regulations shall apply. Any sales conditions or general terms and conditions of the Supplier that conflict with these GTCP shall not apply. In cases of doubt or conflict, the GTCP of the Purchaser shall prevail. The validity of any other general terms and conditions requires the express written consent of the Purchaser.

Should any provision of these GTCP be or become invalid, or should a gap exist, the legal validity of the remaining provisions shall remain unaffected. In place of the invalid provision, a provision shall be deemed agreed from the outset which most closely reflects the economic intent of the parties. The same shall apply in the event of a gap.

2. Orders

Orders shall be placed in writing using the Purchaser's order form. Any verbal agreements, additions, or amendments must be confirmed in writing in order to be valid. All documents shall bear the order number.

3. Order Confirmation

The Supplier shall confirm the order in writing by means of an order confirmation. Failure to provide such confirmation within a reasonable period of time shall be deemed acceptance of the order under the terms and conditions contained therein. The Supplier shall notify the Purchaser without delay if it intends to reject the order. Subcontracting or assignment of the orders to third parties shall not be permitted without the Purchaser's prior written consent.

4. Prices

Unless otherwise agreed, the prices stated in the order shall be deemed fixed prices and shall be final. In the case of orders without a fixed price or with an indicative price, price approval by the Purchaser shall remain reserved upon receipt of the confirmation or the invoice. Any additional expenses incurred by the Supplier as a result of failure to comply with the Purchaser's instructions, as well as any additional costs arising from defective deliveries, shall be borne by the Supplier. The same shall apply to any costs not provided for in the order or the order confirmation.

5. Delivery, Place of Performance, Transfer of Benefit and Risk

The place of performance for all obligations under the contract shall be the Purchaser's domicile (goods receipt) in Arch. Unless otherwise agreed, benefit and risk shall pass to the Purchaser upon delivery of the goods at the Purchaser's premises. Where acceptance is agreed or required, benefit and risk shall pass to the Purchaser upon completion of such acceptance.

Shipment and transport shall be at the Supplier's risk and expense. The Supplier shall insure the goods adequately against loss and damage until the transfer of benefit and risk. Any transfer of transport insurance costs to the Purchaser shall require the Purchaser's prior written consent. The applicability of Incoterms or similar clauses must be agreed in writing. Partial deliveries and advance deliveries shall require the Purchaser's prior written consent. Each delivery shall include the corresponding shipping documents. Delivery shall only be deemed completed upon proper acknowledgment of receipt of the delivery notes. If the goods are not accepted, they shall be stored at the Supplier's cost and risk.

6. Delay in Delivery

The delivery date shall be specified in writing in the order and in the order confirmation. Any extension of the delivery period shall only be valid with the Purchaser's express consent. If the Supplier must assume that it will be in delay, in whole or in part, it shall notify the Purchaser without delay, stating the reasons and the expected duration of the delay. Such notification shall not affect the occurrence of default, nor shall it suspend the statutory consequences of delay.

In the event of delay by the Supplier, the Purchaser shall promptly notify the Supplier whether it wishes to insist on performance or waive delivery. A new delivery date shall be confirmed in writing by the Supplier. Failure to comply with the delivery date shall entitle the Purchaser, in addition to its right to demand performance of the contract, to claim a contractual penalty in the amount of 50% of the order value. The right to claim damages (including consequential damages resulting from defects) as well as the right to set off such claims against the Supplier's receivables remains reserved.

The Supplier may only invoke the absence of necessary preparatory actions or a lack of proper cooperation if it has previously requested such actions in writing and has notified the Purchaser in writing of their absence.

7. Terms of Payment

Unless otherwise agreed, the invoice shall be submitted without delay after dispatch of the goods. Payment shall in any event only be made after delivery has been effected. Unless otherwise agreed, payment shall be made in the second half of the month following receipt of the goods, less a 2% cash discount.

8. Inspection and Notification of Defects

The Purchaser shall inspect the goods after receipt and shall notify the Supplier in writing of any defects. The Purchaser shall not be bound by any specific time limit for such notification. Unconditional payment, any acceptance of work, or any other conduct of the Purchaser shall in no event be deemed a waiver of the right to notify defects.

Rejected parts shall remain at the Purchaser's disposal until defect-free replacement has been made or the contract of sale has been rescinded. After replacement, such parts shall be at the Supplier's disposal and shall be handed over to the Supplier.

9. Warranty

The Supplier warrants that the goods are free from defects and shall be liable for any defects that eliminate or reduce the value of the goods or their suitability for the intended use. The Supplier shall be liable for the existence of warranted characteristics and for ensuring that the delivery complies with the ordered services and specifications. The Supplier's warranty shall also extend to parts manufactured by its subcontractors. The delivered goods shall comply with all applicable private and public laws and regulations, association rules, and industry standards. In particular, the Supplier expressly warrants that the goods comply with the following regulations: RoHS, REACH, and conflict minerals requirements.

The warranty period shall be at least 12 months and may be extended in writing in individual cases. The warranty period shall commence upon acceptance at the Purchaser's premises. For items that are not put into operation immediately after acceptance, the warranty period shall commence only upon commissioning. The commissioning shall be notified to the Supplier in writing. Where formal acceptance has been agreed, the warranty period shall commence upon signing of the acceptance protocol. The warranty period shall be extended by the period during which the installation was not in operation.

The Purchaser shall be entitled to the statutory warranty claims. Any exclusion of liability is excluded. The Purchaser shall decide on the exercise of any claim for replacement delivery. The Supplier shall have no right to remedy defects (subsequent performance) without the Purchaser's express prior written consent. If the Purchaser opts for remedy of defects or replacement delivery, the Supplier shall be obliged to remedy the defects free of charge on site or to deliver and, if necessary, install defect-free replacement items. In the event of refusal by the Supplier or urgency, the Purchaser shall be entitled to remedy the defects itself or have them remedied by third parties at the Supplier's expense. The Supplier shall provide warranty for replacement deliveries and defect remedies in the same manner. The Purchaser's right to claim damages (including consequential damages resulting from defects) shall in all cases remain reserved.

10. Compliance

The Supplier undertakes to accept the Purchaser's Code of Conduct (available at: www.hanitec.ch) and to comply with the applicable legal regulations regarding the treatment of employees, environmental protection, and occupational health and safety. The Supplier shall also strive to minimize any adverse effects of its activities on people and the environment. For this purpose, the Supplier shall, within its capabilities, establish and further develop a management system in accordance with ISO 14001.

In the event that the Supplier repeatedly and/or, despite prior notice, acts in violation of applicable laws and fails to demonstrate that such violation has been remedied to the extent possible and that appropriate measures have been taken to prevent future violations, the Purchaser reserves the right to withdraw from existing contracts or to terminate them with immediate effect. Any claims for damages shall in all cases remain reserved.

11. Confidentiality and Non-Disclosure

The parties shall treat all information received in connection with the contractual relationship as confidential. The business relationship and its content shall be kept confidential vis-à-vis third parties.

12. Ownership and Intellectual Property Rights

Upon transfer of ownership of the delivered goods, the Supplier grants the Purchaser all related rights of use. The Supplier confirms that no third-party ownership or intellectual property rights exist in relation to the delivered goods which would restrict their use, and that the delivery does not infringe any third-party intellectual property rights. In all cases, the Supplier shall indemnify and hold the Purchaser harmless against any claims and demands by third parties.

All documents of the Purchaser, such as plans, drawings, samples, etc., which are made available to the Supplier for the manufacture of the delivered goods, shall not be used for other purposes, reproduced, or made accessible to third parties. All ownership and intellectual property rights in such items and documents shall remain with the Purchaser. The Supplier shall, upon request of the Purchaser, promptly return such items and documents, including all copies and reproductions. Upon termination or failure of the business relationship, such items and documents shall be returned without being requested.

13. Information and Disclosure Obligations

The parties shall inform each other in a timely manner of any specific technical requirements as well as of any legal, regulatory, or other provisions at the place of destination, insofar as these are relevant to the execution and use of the products. Furthermore, the parties shall promptly notify each other of any obstacles that may jeopardize the proper performance of the contract or lead to impractical or inappropriate solutions.

14. Governing Law and Jurisdiction

Swiss law shall apply exclusively. The place of jurisdiction for all disputes arising between the Purchaser and the Supplier shall be CH-2500 Biel. However, the Purchaser shall also be entitled to bring claims against the Supplier at the Supplier's place of business.

Häni + Co. AG, 3296 Arch - 11/2017

(This document is not subject to the change control procedures of the quality management system)

Language Disclaimer:

These the General Terms and Conditions of Purchase were originally drafted in German. In case of discrepancies, the German version shall prevail.