

General Terms and Conditions of Sale and Delivery

1. General

- 1.1 These General Conditions of Sale and Delivery shall be binding if declared applicable in the offer or order confirmation. Any conditions stipulated by the customer which are in contradiction to these general conditions shall only be valid if expressly accepted by the supplier in writing.
- 1.2 All agreements and legally relevant declarations of the parties to the contract have to be in writing in order to be valid.

2. Offers and Conclusion of Contract

- 2.1 The contract shall be deemed to have been entered into upon receipt of supplier's written confirmation stating its acceptance of the order.
- 2.2 Offers which do not stipulate an acceptance period shall not be binding.
- 2.3 Offers made by the supplier on its Internet Web-site are not binding. The supplier reserves the right to amend or withdraw its Website offers at any time.

3. Scope of Supplies

- 3.1 The supplies are specified in the order confirmation. Any material and services which are not included therein shall be additionally charged.
- 3.2 The supplier shall be entitled to make any changes which lead to improvements.

4. Regulations in Force in the Country of Destination

The customer shall inform the supplier, upon placing the order at the latest, about the standards and regulations applicable to the execution of the supplies and services, to the operation of the plant as well as to the health and safety of personnel.

5. Technical documents

- 5.1 Unless otherwise agreed upon, brochures and catalogues are not binding. Data provided for in technical documents are only binding in so far as having been expressly stipulated as such.
- 5.2 Each party to the contract retains all rights to technical documents provided to the other. The party receiving such documents recognises these rights and shall - without previous written consent of the other party - not make these documents available to any third party, either in whole or in part, nor use them for purposes other than those for which they were handed over.
- 5.3 The purchaser is entitled to acquire from the supplier the right to use of dimensional drawings ("dimensional drawings") with respect to the purchaser- and application-specific tooling components as developed by the supplier, which may come into direct contact with the purchaser's workpieces when using BalTec equipment. In this case, the dimensional drawings are delivered in "pdf" format. The price to be paid by the purchaser for the usage rights of such dimensional drawings generally amounts to 15 percent of the purchase price of the BalTec tools, or a minimum of CHF 150. The corresponding payment by the purchaser is due within 30 days after delivery of the dimensional

drawings respectively. Following the transfer of such drawings, the supplier will no longer be responsible for updating drawings in case of design changes made by the purchaser. Furthermore, the supplier is exempted from any liability or responsibility in direct or indirect connection with the use of the dimensional drawings. Accordingly, the Purchaser shall indemnify the Supplier in full with respect to claims of third parties.

Irrespective of the granting of a right of use to the dimensional drawings, the intellectual property of the dimension drawings remains fully with the supplier. Without the prior written consent of the supplier, the purchaser is not entitled to make the dimensional drawings available to third parties or to have them used by a third party.

6. Prices

- 6.1 Unless otherwise agreed upon, all prices shall be deemed to be net ex works, in Swiss Francs and shall not include any packing, freight, insurance, taxes, duties, assembling, installation and initiation.
- 6.2 If a general price increase is decreed between confirmation of the order and delivery, the new prices shall apply.

7. Terms of Payment

- 7.1 Payments by customers domiciled in Switzerland shall be made within 30 days net. For supplies to foreign countries, payment shall be made by irrevocable letter of credit confirmed by a reputed Swiss Bank, unless otherwise agreed upon.
- 7.2 Payments shall be made by the customer to the registered address of the supplier without any deducting for cash discount, expenses, taxes or duties of any kind. Other terms of payment may be agreed separately.
- 7.3 In case of delay in payment the supplier is entitled to discontinue planned deliveries and to charge a default interest of 6 % p.a..

8. Right of retention, payments in advance

The supplier may withhold performance or make it dependent upon payments in advance by the customer or demand a security in respect of its claim for payment, if the customer defaults on payment or the supplier has a suspicion justified by factual evidence, that the creditworthiness of the customer is in doubt, particularly if a cheque is not honoured or the customer ceases payments.

9. Proprietary Right

- 9.1 The supplier shall retain ownership of the products supplied until full payment has been received. The customer shall take all necessary measures for the protection of the proprietary rights of the supplier.
- 9.2 The supplier is entitled, with customer's participation, to apply for registration of the reservation of the proprietary right.

10. Delivery Time

- 10.1 The delivery time shall start as soon as the contract has been entered into and all technical points have been settled.
- 10.2 The delivery time shall be reasonably extended:

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- if the information required by the supplier for performance of the contract is not received in time, or if the customer subsequently changes it;
- if agreed terms of payment are not met, letters of credit are opened too late, or the necessary import licenses are not received by the supplier in time;
- if hindrances occur which the supplier cannot prevent despite using the required care, regardless whether they affect the supplier or the customer or a third party. Such hindrances include, but shall not be limited to, epidemics, mobilisation, war, revolution, serious break-down in the works, accidents, labour conflicts, late or deficient delivery by subcontractors of raw material, semi-finished or finished products, the need to scrap important work pieces, official actions or omissions by any state authorities or public bodies, natural cata-strophes, acts of God.

11. Delay in Delivery

- 11.1 The customer shall be entitled to claim liquidated damages for delayed delivery provided that the delay has been caused by a fault of the supplier and that the customer has suffered a loss as a result of such delay. If substitute material can be supplied to accommodate the customer, the latter is not entitled to any damages for delay.
- 11.2 Damages for delayed delivery shall not exceed ½ % of the part of supply in delay for every full week's delay and shall in no case whatsoever exceed 5 % of the contract price of the part of the supplies in delay. No damages at all shall be due for the first four weeks of delay.
- 11.3 Any delay of the supplies does not entitle the customer to any rights and claims other than those expressly stipulated in these Articles 9.1 and 9.2.

12. Passing of benefit and risk

- 12.1 The benefit and the risk of the supplies shall pass to the customer by the date of their leaving the works.
- 12.2 If dispatch is delayed at the request of the customer or due to reasons beyond supplier's control, the risk of the supplies shall pass to the customer at the time originally foreseen for their leaving the works. From this moment on, the supplies shall be stored and insured on the account and the risk of the customer.

13. Forwarding, Transport and Insurance

- 13.1 The products will be packed by the supplier. The packing will be charged separately at the costs of the supplier.
- 13.2 In case the purchaser does not specify the method of shipment in any way, ordered goods will be shipped by BalTec - defined freight forwarder via most suitable way. Typically; Within EU via truck, overseas via airfreight. Requests or specifications concerning shipping and insurance shall be brought to the supplier's attention by the purchaser as early as possible. The transport is at the expense and risk of the purchaser. Claims related to the transport shall be addressed immediately to the last freight carrier upon receipt of the goods or the freight documents.
- 13.3 Insurance against risks of any kind is the responsibility of the customer. Even when taken out by the supplier, it shall be at the customer's expense.

14. Inspection and Taking-over of the Supplies

The customer shall inspect the supplied products within a reasonable period after having received them and shall immediately notify the supplier in writing of any deficiencies. If the customer fails in doing so, the products shall be deemed to have been taken over.

15. Warranty and Disclaimer

- 15.1 The supplier hereby warrants that the products delivered by him will be free from defects in material and workmanship.
- 15.2 Express warranties are only those expressly specified as such in the order confirmation or in the manual. An express warranty is valid until the expiration of the warranty period at the latest.
- 15.3 In case delivered products are defective, the customer may request for compensation delivery or elimination of defect by the supplier during the warranty period of two years or 4'000 operating hours beginning on the date of delivering the products or the day of supplier's notification that the products are ready for dispatch.
- 15.4 If a defect according to Article 15.3 is not eliminated or compensated by the supplier within a reasonable period, the customer may ask for price reduction or annulment of the contract.
- 15.5 The warranty expires prematurely, if the customer or a third party undertakes inappropriate modifications or repairs or if the customer, in case of a defect, does not immediately take all appropriate steps to mitigate the damage and give the supplier the possibility of remedying such defect.
- 15.6 Excluded from supplier's warranty and liability for defects are all deficiencies which cannot be proven to have their origin in bad material, faulty design, poor workmanship or resulting from other reasons beyond supplier's control.
- 15.7 With respect to any defective material, design or workmanship as well as to any failure to fulfil express warranties, the customer shall not be entitled to any rights and claims other than those expressly stipulated in Articles 15.3 and 15.4 hereof.
- 15.8 Not mentioned claims for compensation, for reduction, for termination and for withdrawal of the contract are excluded. The supplier shall not be liable for any direct, indirect, consequential or incidental damages that are not arisen on the product, including damages for loss of business information, loss of profits, production interruption and the like, subject to the compulsory product liability law.

16. Governing Law

The present contract shall be governed in all respects by Swiss law.

17. Jurisdiction

The place of jurisdiction for any disputes shall be at the registered office of the supplier.

Pfäffikon, February 10th 2017