

General Terms and Conditions of Purchase, Doetsch Grether AG

1. Applicability / General information

- 1.1. These General Terms and Conditions of Purchase apply to all our purchases insofar as we have not agreed otherwise in writing (letter, fax, e-mail).
- 1.2. Acceptance of our order or delivery of the ordered goods by the supplier represents agreement to these Terms and Conditions.
- 1.3. Deviations from and/or additions to these General Terms and Conditions of Purchase, as well as any additional agreements including price or exchange rates, in particular other or additional general terms of delivery and sale, are valid only with our written consent.
- 1.4. Costs in connection with the preparation of offers shall be paid only after prior arrangement.
- 1.5. All expenses incurred as a result of non-compliance with our instructions or resulting from faulty or non-agreed deliveries shall be borne by the supplier.

2. Type and scope of the Contract / Amendments

- 2.1. Only orders placed in writing are valid. Verbal agreements or orders placed by telephone, including any additions or amendments, shall be considered valid only upon receipt of our written confirmation. The same shall apply to any subsequent orders or amendments.
- 2.2. Sketches, drawings, notes, specifications, etc. form part of our orders insofar as those are expressly referred to, dated and initialled by us.
- 2.3. Each order must be confirmed by the supplier within five working days of the date of order. If no confirmation is received, we are entitled to withdraw our order without the supplier being entitled to make any claims arising therefrom.
- 2.4. Any deviations from our order must be expressly indicated in the order confirmation. Those shall form part of the contract only after our agreement.
- 2.5. We are entitled, to a reasonable extent, to make amendments to the ordered goods and quantities after receipt of the order confirmation. Any effects on the contract price or delivery dates are to be communicated to us and agreed separately. Any decrease in costs as a result of amendments to the contract shall be discounted in the agreed contract price.
- 2.6. When submitting an offer, the supplier is obliged to inform us of any potential errors or loopholes in our request for quotation, particularly taking account of the current state of development of science and technology, environmental regulations, technical suitability or regulatory determinations.

3. Subcontracting

- 3.1. If the supplier intends to have the goods or works ordered from him manufactured by a third party, our timely consent following notification of the subcontractor must first be obtained.
- 3.2. The supplier shall have unlimited liability for all parts sourced from his subcontractors.
- 3.3. The supplier undertakes to require his subcontractors to respect the obligations of secrecy imposed by us to that same extent.

4. Prices

- 4.1. Unless otherwise agreed in the order, all prices are fixed prices based on DDP place of destination (Incoterms 2010 or most recent version), and are inclusive of packaging.
- 4.2. Amendments to prices require the agreement of both parties in order to be deemed valid.
- 4.3. In the case of an order placed without price or price indication we reserve the right to approve the price after receiving confirmation.

5. Invoicing, terms of payment

- 5.1. Invoices shall be created in accordance with the provisions of corresponding VAT legislation. The invoice address is Doetsch Grether AG, Sternengasse 17, CH-4051 Basel / Switzerland.
- 5.2. Invoices that do not meet the requirements of these Terms and Conditions of Purchase will be returned and payment deferred until an invoice in the required form is received.
- 5.3. Unless otherwise agreed in the contract, payments must be made within 30 days of the invoice date upon satisfactory delivery of the goods, and receipt of the accompanying documents and the invoice. Under no circumstances shall that period begin before the agreed delivery date. In case of faulty goods, we are entitled to defer payment for the defected part until the situation has been rectified.
- 5.4. For invoice payments made within 14 days of receipt of invoice we are entitled to a discount of 3% of the invoice amount.
- 5.5. In the case of advance payments the supplier has an unconditional and irrevocable guarantee payable in the amount of the advance payment. The bank guarantee must be drawn up by a leading Swiss bank.
- 5.6. Assignment of claims against us is permitted only with our consent.

6. Provision of materials

- 6.1. Material that we supply to fulfil an order shall remain our property after processing. It is to be clearly labelled as such and should be carefully stored

until it is required for fulfilment. Unused material, leftover material, production waste or similar are to be returned to us upon request or deducted at market price from the sale price of the goods purchased by us.

- 6.2. The supplier undertakes to insure the provided materials against risk of fire, water damage or theft at his own cost.

7. Delivery deadline and consequences of delayed delivery, withdrawal from the contract

- 7.1. Receipt of the contractual goods at the place of destination shall be considered as meeting the delivery deadline.
- 7.2. The supplier is to inform us immediately should he become aware of any circumstances that might prevent the delivery from being carried out in full or in part, providing the reasons and a new estimated delivery date. The supplier is obliged to take all precautionary measures necessary, at his own cost, in order to avoid delivery delays or third-party replacements. The supplier may invoke the absence of necessary preparatory efforts on our part if he requires them in a timely manner or in the case of failure to meet agreed dates and deadlines.
- 7.3. Advance deliveries require our prior consent. In such cases we are entitled to a purchase price discount off any costs arising from advance delivery (storage costs etc.). Advance deliveries shall have no effect on the validity of the agreed invoice deadline.
- 7.4. Partial deliveries require our prior consent.
- 7.5. The supplier undertakes to pay a contractual penalty of 0.5%, but no more than 10%, of the purchase price in the event of delivery delays, apart from delays due to force majeure, and independently of any outstanding debts. Bottlenecks in the procurement of raw materials and delays on the part of subcontractors are not considered force majeure. In addition, we are entitled to claim for damages caused by delay in accordance with legal determinations.
- 7.6. If the supplier is in default, we are entitled to withdraw from the contract after unsatisfactory expiry of the grace period. Should it become known in advance that the delivery date can no longer be upheld, we may exert our right to withdraw before the delivery date. The same shall apply if, despite the supplier's efforts, a delay cannot be avoided. In the event of withdrawal, the supplier shall reimburse us for all payments received, plus default interest of 5% p.a. We expressly reserve the right to assert claims for higher compensation based on legal determinations.
- 7.7. We also reserve the right to withdraw from the contract and reclaim advance payments, at any time and without providing justification, and upon payment of the incurred costs and a rate of 5% of the contractual price, to compensate for any lost profit. Additional claims for damages on the part of the supplier, where legally permissible, are excluded.

8. Packaging, Postage

- 8.1. Packaging must be sufficient to ensure that the goods are sufficiently protected against damage during transport and any subsequent storage.
- 8.2. The supplier is obliged to label the goods in the manner requested by us.
- 8.3. The supplier shall bear all costs and financial loss resulting from non-compliance with our directions on transport, customs clearance, etc.
- 8.4. We are entitled to specify the method of delivery and freight carrier. Otherwise, the supplier undertakes to choose the most reasonably priced method of delivery.
- 8.5. The supplier is obliged to take back packaging material and credit us for that in the invoice amount.
- 8.6. Customs duties shall be handled by agencies specified by us, provided the costs are borne by us.
- 8.7. Unless otherwise agreed, the supplier is obliged to send notification of the delivery at least three working days in advance. Such notification must be made to the place of destination in accordance with the guidelines on declaration of proper delivery of goods. Any costs incurred as a result of an incorrect declaration shall be borne by the supplier.

9. Details to be provided on invoices and additional documents

- 9.1. Each shipment must be accompanied by a detailed delivery note (dispatch note), containing our reference. Invoices must be sent separately.
- 9.2. All correspondence (letters, delivery notes, invoices, etc.) must contain the following details:
 - Purchase order number
 - Order date
 - Our product number
 - Quantities, total/net weight
 - Type of packaging

10. Delivery quantities

- 10.1. Over- and under-deliveries are permitted only with our prior consent.
- 10.2. The figures indicated by us during incoming goods inspection for quantities, weights and measurements shall be regarded as authoritative.

11. Transfer of ownership and risk

- 11.1. Risk shall be transferred to us pursuant to the agreed Incoterm; or, if no Incoterm is agreed, as soon as the delivery is shipped to the specified delivery destination or received by us.

- 11.2. If the requested delivery documents are not correctly provided, or are provided at a later date, storage of the delivery shall be at the cost and risk of the supplier until the correct documents have been received.
- 11.3. Retention of title over goods delivered is not permitted.

12. Inspection, warranty, liability, liability insurance

- 12.1. Upon receipt, and insofar as feasible in the ordinary course of business, we shall inspect the goods for any obvious defects, identity, missing quantities and transportation damage. There is no duty to perform any additional incoming goods inspection.
- 12.2. We shall notify the supplier of any defects within one week of their discovery. In that respect, the supplier renounces any right to object to delayed notice.
- 12.3. Payments made shall not constitute a waiver of notification of defects.
- 12.4. The supplier warrants that goods are free from any defects affecting their value or usability, display the agreed characteristics and conform to the agreed performance and specifications, as well as corresponding to the relevant legal provisions, standards and other regulations in the agreed country of destination, in particular with regard to applicable accident prevention regulations.
- 12.5. For any defects arising within the warranty period the supplier is obliged either to deduct the costs for those defects or supply us with a replacement free of charge, as we prefer. All additional costs as a result of repair or replacement, namely, costs for assembly and transport of the defective goods and replacement deliveries, and assembly of the replacement goods, shall be borne by the supplier.
- 12.6. Should the supplier fail to resolve the defect, or in urgent cases, we are entitled to resolve the defect ourselves, or to have it done by a third party, at the cost and risk of the supplier.
- 12.7. Defective goods or parts thereof shall remain at our disposal up to their replacement or the cancellation of the contract. After successful replacement they shall be at the disposal of the supplier.
- 12.8. In the absence of any other agreements the warranty period shall be 36 months from the date of delivery or, if collection was arranged, upon successful receipt by us.
- 12.9. The warranty period shall be prolonged for the duration of any interruption to use.
- 12.10. In the event of disagreement as to the severity of the defect, the verdict must be decided by an independent party. The costs of that review shall be borne by the unsuccessful party.
- 12.11. The warranty period shall be 12 months for replacement deliveries and rectifications. It shall begin upon arrival of the replacement delivery or upon

successful rectification of the defect, and shall end at the earliest upon expiry of the warranty period for the original delivery.

12.12. Should the rectification or replacement delivery fail, or if that is also defective, statutory warranty claims shall remain unaffected.

12.13. The supplier shall be liable in accordance with legal determinations for damages that have not occurred to the goods themselves. He undertakes to ensure adequate business and product liability insurance with international coverage, and shall provide us with evidence of such insurance upon request. Furthermore, the supplier shall assume liability for all costs for measures to avoid damage, in particular for the preventive replacement of products and for other costs associated with product recall.

13. Third-party property rights

13.1. The supplier shall be liable for any infringement of third-party property rights in the agreed country of delivery with respect to the delivered goods and hereby exempts us and our customers from any claims arising from infringement of such third-party property rights.

14. Samples, drawings, manufacturing equipment

14.1. All documents that we provide to the supplier or create at the supplier's cost, such as samples, drawings, models and so forth, shall remain our property or shall be our property once produced. We reserve all rights to such documents. When they are no longer required, i.e. for completion of the order, they are to be returned to us free of charge and without our having to request them. They may not be made accessible to third parties.

14.2. Manufacturing equipment provided or produced in accordance with our specifications may be neither duplicated nor disposed of; nor may ownership be transferred, pledged or otherwise passed on or used in any way for third parties without our express consent. The same applies to goods produced using such manufacturing equipment.

15. Replacement parts

15.1. On the basis of corresponding orders, the supplier shall provide us with replacement parts at competitive rates for a minimum of ten (10) years after delivery of a machine, appliance or device.

15.2. Should the supplier intend to cease production of the replacement parts, he must inform us thereof. Such notification must be provided at least three months before ceasing production. Under such circumstances we are entitled to place a final order for the delivery of such replacement parts at standard market rates within one month of receiving the notification.

15.3. The supplier shall undertake to inform his subcontractors and suppliers of their obligation to comply with this requirement.

16. Confidentiality agreement

- 16.1. The supplier is obliged to treat all information received from us within the scope of the business relationship confidentially, for example, any technical information, trade secrets, details of our orders, quantities, technical designs, order conditions, etc. as well as any knowledge derived from such information.
- 16.2. Inclusion of our company in a reference list, indication of our business relationship, or use of our order for advertising purposes is permitted only with our consent.

17. Protection of personal details

- 17.1. In compliance with the regulations of the Data Protection Act we shall store, process and use the necessary data for the purpose of the business relationship with the supplier, regardless of whether those are provided by the supplier themselves or a third party. Data will be used only for the intended purpose. Transfer of data to third parties, including overseas, is limited to the data required for the purpose of fulfilling the order. The supplier herewith declares his consent.

18. Partial invalidity

- 18.1. Should individual provisions of these Terms and Conditions become ineffective in whole or in part, the parties are obliged to replace the ineffective or void provision with one that as far as possible fulfils the purpose originally intended by the ineffective or void provision.

19. Place of fulfilment, applicable law and court of jurisdiction

- 19.1. The place of fulfilment is the agreed delivery location. The place of fulfilment for payment is our company headquarters.
- 19.2. Swiss law shall apply with the exclusion of conflict of law rules and the United Nations Convention on the International Sale of Goods (CISG).
- 19.3. The court of jurisdiction shall be Basel, Switzerland. However, we reserve the right to assert our rights before any other competent court.

Doetsch Grether AG, Sternengasse 17, CH-4051 Basel / Switzerland

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