

General terms and conditions of purchase of CONICA AG

Issued June 2018

SECTION 1: CONCLUSION OF CONTRACT

The supply contract is deemed to have been concluded once we have placed the order in writing and the supplier has confirmed acceptance in writing within 24 hours. No variations or amendments are effective unless they are confirmed by us in writing. Exception: telephone orders placed by us are binding provided that the order number and procurement officer are specified. Telephone orders are deemed to have been accepted unless the supplier raises an objection immediately. Information included in quotations from the supplier is only incorporated into the contract if the order refers to the quotation concerned and is unconditional. Quotations from the supplier are deemed to be binding. The supplier may only enter into correspondence with the procurement department. The supplier agrees to keep orders placed by us and all related commercial and technical information confidential. The supplier may only refer to the business relationship with our consent.

SECTION 2: PRICES

The prices on which our orders are based are deemed to be fixed prices and are binding. All prices are exclusive of statutory value added tax. Unless otherwise agreed, goods are to be supplied by the supplier Delivered Duty Paid (DDP) (Incoterms 2010). Price adjustments and conditions are only binding insofar as they are expressly accepted by us.

SECTION 3: BILLING AND TERMS OF PAYMENT

A separate invoice displaying our order number and reference must be issued for each delivery. The goods are deemed to have been delivered once any technical or other documents specified in the order are also in our possession. We are entitled to withhold payment of any balance until such documents have been received. Payment is subject to proper performance of the contract and on condition that the prices and calculations are correct. If the wrong or defective goods are supplied, we are entitled to withhold payment in a reasonable amount until the supplier has properly discharged its obligations. Transport and packaging costs must be itemised separately. Invoices may not be enclosed with the goods, but must be sent under separate cover. Neither payment for goods nor use thereof does imply acceptance of the goods supplied.

SECTION 4: DELIVERY DATES AND DEADLINES

Delivery dates and deadlines are deemed to be the dates on which the goods arrive at their destination. Delivery dates and deadlines are binding and must be met by the supplier. The supplier shall advise us immediately if it anticipates any delay in delivery. In the event that the supplier fails to meet the delivery date and/or deadline agreed, we may, at our discretion, a) grant an extension of time and claim loss or damage occasioned by delay; or b) waive subsequent performance and either claim compensation for loss or damage resulting from non-performance or rescind the contract. The supplier shall pay any differences in freight charges such as freight and/or express delivery, etc., due to delay in dispatching the goods. If goods are delivered early, we reserve the right to pay the invoice on the date the payment would have been due if delivery had been made at the time stipulated in the contract. Any demurrage due in respect of deliveries by rail are only payable from the agreed date of delivery.

SECTION 5: QUANTITIES

The quantities specified in the order must be provided, having due regard to standard commercial practices. We will only be required to accept partial deliveries insofar as these have been specifically requested or accepted by us. In the case of a delivery of goods in excess of the quantity ordered, we reserve the right to return the surplus goods to the supplier and to charge for any expenditure incurred by us and, in the case of a delivery of fewer goods than ordered, to insist on goods being supplied in the quantity ordered. Deliveries of fewer goods than ordered must generally be notified as soon as possible and must be specifically approved.

SECTION 6: ACCEPTANCE AND INSPECTION OF GOODS

Any payments by us are subject to acceptance inspections which must be performed at the time the goods are received at their destination. As a general rule, it will only be possible to conduct thorough quantity and quality checks at a later stage; accordingly, any payments by us do not constitute or imply acceptance of the quantity and quality of goods supplied. We therefore retain all related rights, title and claims even after we have inspected and paid for the goods. The foregoing also applies *mutatis mutandis* to payments for any part of the goods. The supplier shall pay the cost of any testing and sampling, etc., that may be required due to the supply of defective goods or goods that are not as specified in the order.

SECTION 7: QUALITY AND LIABILITY

The supplier warrants that the goods will be supplied properly and in full compliance with the contract, that the raw materials used are of good quality and that the goods will be in good condition and fit for the purpose intended. Any defects or incorrect goods supplied may be notified at any time during the statutory limitation period irrespective of when the defect or error is identified. Notwithstanding the nature and materiality of the defect concerned, we are entitled, at our discretion, to require a reduction in the purchase price, require additional goods to be supplied or the defect to be remedied, replacement goods to be supplied, or to rescind the contract. The supplier is, moreover, liable for any loss or damage, including loss or damage caused by a defect or consequential damage caused by a defect, consequential loss, loss of profits, loss of orders and any other direct or indirect loss or damage. We also reserve the right to withhold payment, either in part or in full, until the supplier has discharged its obligation to supply any replacement goods required by us in perfect condition, or until a binding settlement has been reached with regard to rescission of the contract, a reduction in the purchase price, compensation or damages.

SECTION 8: PACKAGING, TRANSPORT AND INSURANCE

Where the supplier is responsible for packaging and/or transport in accordance with the Incoterm stipulated, it is liable for the loss of or damage to the goods, and the rights and remedies available to us are as set forth in the clause entitled QUALITY AND LIABILITY. Hazardous substances must be packaged and labelled in accordance with applicable law and appropriate safety data sheets must also be supplied. Dangerous goods must also be packaged and labelled in accordance with applicable law and the dangerous goods classification or the words "not hazardous" must be displayed on the delivery note.

SECTION 9: SHIPPING REQUIREMENTS

A delivery note indicating the order number and reference, a description of the goods, the net and gross weights and precise quantities must be enclosed with each consignment. For products originating from outside Switzerland, evidence of customs clearance must be provided by presenting the official documents not later than the date of delivery. Unless such evidence is provided, acceptance may be refused. Partial deliveries and deliveries of any outstanding goods must be designated as such. Our order number, as a minimum, must be indicated on any dispatch notes, bills of lading and accompanying documents. Where goods are delivered by rail, a copy of the dispatch note, including a description of the materials, order number, rail tank car and/or container number, dispatch date, batch number and net weight are to be sent to the procurement department by e-mail or fax when the goods are dispatched. In addition, the guidelines laid down in the supplier information currently in effect apply, a copy of which is to be sent to suppliers under separate cover if required. Unless otherwise stated, goods must be delivered as follows:

- Postage-paid consignments sent to our address, Industriestrasse 26, 8207 Schaffhausen
- Rail shipments sent carriage paid, to be stationed at railway siding 85-034249, 8207 Schaffhausen
- Road shipments sent to our address, Industriestrasse 26, 8207 Schaffhausen, to be delivered between 7.15 a.m. and 1.00 p.m.

The supplier shall pay any costs that may be incurred due to failure to comply with the above guidelines.

SECTION 10: WARRANTY OF TITLE

The supplier warrants that the goods supplied do not and will not infringe any intellectual property rights or breach any statutory provisions and that no rights will be enforceable against us due to use of the goods or sale thereof by or to third parties. The supplier shall indemnify us in full from and against any third-party claims and assist or represent us in conducting any negotiations or litigation.

SECTION 11: DOCUMENTS AND DRAWINGS

All documents, including drawings, delivery, inspection and manufacturing specifications, together with any samples and tools, are deemed to form an integral part of our order and are binding the supplier upon acceptance thereof. Such documents are our property and may not be copied, reproduced or disclosed to third parties without our prior written consent. The documents must be returned to us intact upon first demand or upon delivery of the goods.

SECTION 12: SUBCONTRACTING

Orders placed by us may not be subcontracted or passed on to third parties without our written consent. In the event of any breach of this provision, we are entitled to rescind the contract with immediate effect or waive performance by the supplier, either in whole or in part, without any obligation to pay compensation. We reserve the right to claim compensation or damages.

SECTION 13: ASSIGNMENT OF RIGHTS AND SET-OFF

The supplier is not entitled to assign any rights or claims in relation to us or set off any rights or claims accruing to us without our express consent.

SECTION 14: GENERAL TERMS AND CONDITIONS OF PURCHASE

Our general terms and conditions of purchase apply to all contracts of purchase and contracts for work and services concluded with the supplier without the need to refer to individual legal transactions. We do not accept any other terms and conditions of business.

SECTION 15: PLACE OF JURISDICTION

Schaffhausen is the place of jurisdiction for any disputes arising out of or in connection with the contract or these general terms and conditions of purchase. The contract and these general terms and conditions of purchase are governed by and construed in accordance with Swiss law. The United Nations Convention on Contracts for the International Sale of Goods does not apply.

SECTION 16: DATA PROTECTION

The supplier hereby agrees that data given by him for the purposes of establishing and developing the contractual relationship will be collected, stored and used. CONICA complies with the regulations of Swiss federal law on data protection (SR 235.1, DSG).