

**Terms and Conditions of Purchase of
Feintool Technologie AG,
Industriering 3, 3250 Lyss, Switzerland, and
Grünfeldstrasse 25, 8645 Jona, Switzerland**

1. General Information

We only recognize the supplier's General Terms and Conditions of Business which contradict our Terms and Conditions of Purchase to the extent that we have expressly agreed to them in writing. The acceptance of goods or trade receivables of the supplier (hereinafter: Contractual item) or their payment does not constitute approval.

2. Conclusion of Contract and Amendments to Contract

- 2.1 Orders, contracts, and delivery schedules as well as their amendments and additions must be made in writing.
- 2.2 Oral agreements of any kind – including subsequent amendments and additions to our Terms and Conditions of Purchase – must be confirmed by us in writing in order to be effective.
- 2.3 The written form also comprises e-mail or fax.
- 2.4 Cost estimates are binding and are not to be remunerated unless otherwise agreed in writing.
- 2.5 If the supplier does not accept the order within ten working days of receipt, we shall be entitled to revoke the order. Our order shall be confirmed by a written order confirmation within ten working days.
- 2.6 Delivery schedules within the framework of an order and order planning are binding. Insofar as we have discretion with regard to the delivery schedule in accordance with the agreed order and delivery planning, the supplier shall, however, be entitled to object within two working days.
The agreement concerning quality, occupational safety, environmental protection, and social responsibility for suppliers (quality management agreement), any delivery and packaging regulations of the Feintool Group are an integral part of the contract.

3. Delivery

- 3.1 Deviations from our contracts and orders are only permitted with our prior written consent.
- 3.2 Agreed dates and deadlines are binding. In any case, the receipt of the goods by us shall be decisive for compliance with the delivery date or time of delivery. If the agreed place of delivery is not our premises, the supplier must make the goods available in good time, taking into account the time for loading and dispatch to be agreed by them with the forwarder, so that the forwarder can deliver the goods to us by the end of the time of delivery.
- 3.3 If the supplier has undertaken the installation or assembly and unless otherwise agreed in writing, the supplier shall bear all necessary ancillary costs such as travel expenses, provision of tools, and the costs of their suppliers or third parties. Insofar as we advance such costs in individual cases at our discretion, these shall be reimbursed to us by the supplier.
- 3.4 If agreed deadlines are not met, the statutory provisions shall apply. If the supplier foresees difficulties with regard to production, the supply of input materials, compliance with the delivery date, or similar circumstances that could prevent them from delivering on time or in the agreed quality, the supplier shall immediately notify our ordering department.
- 3.5 Acceptance of the delayed delivery or service shall always be subject to the reservation of the claims for default interest and damages to which we are entitled on account of the delayed delivery or service, even without express notification. Payment in full shall only be deemed to be a waiver of these claims if we have not made an express reservation prior to or at the time of payment.
- 3.6 Partial deliveries are generally not permitted unless we have agreed to them in writing.
- 3.7 For quantities, weights, and measures, the values determined by us during the incoming goods inspection shall be authoritative, unless proven otherwise.
- 3.8 We have a worldwide, transferable right of use to intellectual property, including software, which is inherent in the product or is part of the scope of delivery of the product, including the related documentation, to the extent of the intended use of the product delivered by the supplier.

This also includes the right to make a backup copy of the software. The supplier warrants that they are fully entitled to have control of the intellectual property immanent in their product.

4. Act of God

Act of God, operational disruptions for which we are not responsible, riots, strikes, official measures, and other unavoidable events shall release us from our obligations for the duration of their occurrence. During such events and within two weeks after their end, we are entitled – without prejudice to our other rights – to withdraw from the contract in whole or in part, insofar as these events are not of insignificant duration, and our requirements are considerably reduced due to the need to procure the goods elsewhere as a result.

5. Delivery Note and Invoice

The information in our orders and delivery schedules shall apply. The invoice shall be sent in one copy to the address printed on the invoice, stating the invoice number and other allocation features; it must not be enclosed with the consignments.

6. Pricing and Transfer of Risk

- 6.1 In the absence of any written agreement to the contrary, prices shall be DDP (named place of destination, according to the currently valid Incoterms).
- 6.2 If an order is placed without a price or only with an indicative price, we reserve the right to approve the price after receipt of the confirmation or invoice.
- 6.3 If DDP (named place of destination, according to the currently valid Incoterms) is not applicable, the supplier shall bear the risk of loss, damage and deterioration until the goods are accepted by us or our representative at the place where the goods are to be delivered according to the order.

7. Payment Terms

Unless otherwise agreed in writing, payment of the invoice shall be made either within 21 days with a 3% discount or within 60 days without discount from the due date of the payment claim and receipt of both the invoice and the goods or performance of the service. Payment shall be made subject to invoice verification.

8. Warranty Claims

- 8.1 Acceptance shall be subject to an inspection for freedom from defects, in particular also for correctness and completeness, insofar as and as soon as this is feasible in the ordinary course of business. Defects shall be notified by us within five working days of discovery. In this respect, the supplier waives the objection of delayed notification of defects.
- 8.2 The statutory provisions on material defects and defects of title shall apply unless otherwise stipulated in these Terms and Conditions of Purchase or otherwise agreed in writing.
- 8.3 We have the right to choose between repair or replacement by the supplier, price reduction, or rescission. The supplier may reject the replacement delivery requested by us if the supplier proves that the repair to be carried out by them without delay is equivalent for us but involves significantly lower costs for the supplier. The supplier may reject the repair requested by us if they immediately deliver a replacement free of defects.
- 8.4 If the supplier does not begin to remedy the defect immediately after our request to do so, we shall be entitled in urgent cases, in particular to avert acute danger or avoid major damage, to carry out the repair ourselves or have it carried out by a third party at the supplier's expense.
- 8.5 In the event of defects of title, the supplier shall also indemnify us against any existing claims of third parties.
- 8.6 Warranty claims become time-barred after three years – except in cases of fraudulent intent. The period shall be five years insofar as defects in an item which has been integrated into an immovable work in accordance with its intended use have caused the defectiveness of the work. The limitation period begins with the delivery of the object of the contract (transfer of risk).
- 8.7 If the supplier remedies the defects by means of a replacement delivery or repair, the warranty period shall start anew for the goods delivered as a replacement or repaired after their delivery or repair, unless the supplier has expressly reserved the right, with our written consent, to make the replacement delivery or repair only as a gesture of goodwill, to avoid disputes or in the interest of the continuation of the supply relationship.
- 8.8 If we incur costs as a result of the defective delivery of the subject matter of the contract – in particular, transport, travel, labor, installation, removal or material costs, or costs for an incoming goods inspection exceeding the usual scope – the supplier shall bear these costs.

9. Product Liability

- 9.1 In the event that claims are asserted against us on the basis of product liability, the supplier shall be obliged to indemnify us against such claims if and to the extent that the damage was caused by a defect in the subject matter of the contract delivered by the supplier.
- 9.2 The supplier shall assume all costs and expenses, including the costs of any legal action, in the cases referred to in Section 9.1.
- 9.3 In all other respects, the statutory provisions shall apply.
- 9.4 Prior to a recall action that is wholly or partly the result of a defect in the subject matter of the contract delivered by the supplier, we shall inform the supplier, give them the opportunity to cooperate insofar as this is reasonable for us, and exchange information with them on efficient implementation, unless the information or participation of the supplier is not possible due to particular urgency. Insofar as a recall action is the result of a defect in the subject matter of the contract delivered by the supplier, the supplier shall bear the costs of the recall action.

10. Rights of Withdrawal and Termination

- 10.1 In addition to the statutory rights of withdrawal, we are entitled to withdraw from or terminate the contract with immediate effect if
- the supplier has ceased to supply their customers,
 - a significant deterioration in the financial circumstances of the supplier occurs or threatens to occur and, as a result, the fulfillment of a delivery obligation towards us is at risk,
 - the supplier becomes insolvent or overindebted, or
 - the supplier suspends their payments.
- 10.2 We shall also be entitled to rescind or terminate the contract if insolvency proceedings or comparable proceedings for the settlement of debts are applied for in relation to the supplier. In the event of bankruptcy proceedings being instituted against the supplier, all orders not yet fulfilled shall automatically be deemed to have been terminated.
- 10.3 The supplier must inform us immediately if one of the events mentioned in Section 10.1 or 10.2 occurs.
- 10.4 If the supplier has effected a partial performance, we shall only be entitled to withdraw from the entire contract if we have no interest in the partial performance.
- 10.5 If we withdraw from or terminate the contract on the basis of the aforementioned contractual rights of withdrawal or termination, the supplier shall compensate us for the damages incurred as a result unless they prove that they are not at fault. The bankruptcy estate is liable regardless of fault.
- 10.6 Statutory rights and claims shall not be restricted by the provisions contained in Section 10.

11. Performance of Work

Persons carrying out work on the works premises in fulfillment of the contract shall observe the provisions of the relevant works regulations. Liability for accidents that occur to these persons on the works premises is excluded, insofar as these were not caused by intentional or grossly negligent breach of duty on the part of our legal representatives or vicarious agents.

12. Provision of Materials

Materials, parts, containers, and special packaging ("Materials") provided by us shall remain our property. These may only be used as intended. The processing, joining, mixing, or blending of materials and the assembly of parts shall be carried out for us. Until the transfer of ownership of the overall product manufactured by the supplier to us, we shall be co-owners of the correspondingly manufactured products in the ratio of the value of the materials and parts provided by us to the value of the overall product.

13. Documents and Confidentiality

- 13.1 All business or technical information made available by us (including features to be taken from objects, documents, or software handed over and other knowledge or experience) shall be kept secret from third parties as long as and to the extent that it is not demonstrably public knowledge and may only be made available in the supplier's own business to those persons who must necessarily be involved in its use for the purpose of delivery to us, and who are also obliged to maintain secrecy; it shall remain our exclusive property. Such information may not be reproduced or used commercially without our prior written consent – except for deliveries to us. At our request, all information originating from us (including any copies or recordings made, if applicable) and items provided on loan must be returned to us immediately and in full, destroyed, or deleted.
- 13.2 We reserve all rights to such information (including copyrights and the right to apply for industrial property rights such as patents, utility models, semiconductor protection, etc.). Insofar as such information has been made available to us by third parties, this reservation of rights shall also apply in favor of such third parties.
- 13.3 Products manufactured according to documents designed by us – such as drawings, models, and the like – or according to our confidential information or with our tools or copied tools may neither be used by the supplier themselves nor offered or supplied to third parties. This also applies analogously to our printing orders.

14. Export Control and Customs

- 14.1 The supplier is obliged to inform us in their business documents of any authorization requirements for (re-)exports of their goods in accordance with Swiss, European, US export and customs regulations, as well as the export and customs regulations of the country of origin of their goods. For this purpose, the supplier shall provide at least the following information in their offers, order confirmations, and invoices for the relevant goods items:
- for US goods, the ECCN (Export Control Classification Number) in accordance with the US Export Administration Regulations (EAR),
 - the commercial origin of their goods and the components of their goods, including technology and software and including proof of preference under any free trade agreements the country of origin may have with Switzerland or EFTA,
 - whether the goods were transported through the USA, manufactured or stored in the USA, or manufactured using US technology,

- the statistical goods number (HS code) of their goods, and
- a contact person at their company for clarification of any queries from us.

- 14.2 At our request, the supplier is obliged to provide us in writing with all other foreign trade data relating to their goods and components and to inform us in writing without delay (before delivery of the goods affected by this) of all changes to the above data.

15. Compliance

- 15.1 The supplier undertakes to comply with the respective statutory regulations on the treatment of employees, environmental protection, and occupational safety and to work to reduce adverse effects on people and the environment in the supplier's activities. To this end, the supplier shall set up and develop a management system in accordance with ISO 14001 within the scope of their possibilities. Furthermore, the supplier shall observe the principles of the UN Global Compact Initiative. These essentially concern the protection of international human rights, the right to collective bargaining, the abolition of forced labor and child labor, the elimination of discrimination in respect of employment and occupation, responsibility for the environment, and the prevention of corruption. More information on the UN Global Compact Initiative is available at www.unglobalcompact.org.
- 15.2 In the event that a supplier repeatedly and/or despite a corresponding notice behaves in a manner that violates the law and does not prove that the violation of the law has been cured as far as possible and that appropriate precautions have been taken to avoid violations of the law in the future, we reserve the right to withdraw from existing contracts or to terminate them without notice. Claims for damages remain reserved at any rate.

16. Place of Performance

The place of performance is the place to which the goods are to be delivered according to the order or at which the service is to be rendered.

17. General Provisions

- 17.1 Should any provision of these Terms and Conditions and the further agreements made be or become invalid, this shall not affect the validity of the remaining provisions. The contractual parties shall be obliged to replace the invalid provision by a provision which comes as close as possible to it in terms of economic success.
- 17.2 The contractual relationship shall be governed exclusively by Swiss law, to the exclusion of the conflict of laws and the UN Convention on Contracts for the International Sale of Goods (CISG). However, the provisions on retention of title (Section 12) shall, insofar as their enforceability requires, be governed instead of Swiss law by the law of the supplier's country to which the goods are shipped – but, to the extent permissible under that law, to the exclusion of the conflict of laws.
- 17.3 The place of jurisdiction for all legal disputes arising directly or indirectly from contractual relationships based on these Terms and Conditions of Purchase shall be exclusively Lyss, Switzerland. Notwithstanding the aforementioned place of jurisdiction, we shall, however, be entitled to sue the supplier at our discretion at the court of their registered office or branch or at the court of the place of performance.