

# CONDITIONS OF PURCHASE

## 1 General

1.1 These conditions of purchase govern the entering into, the content and the performance in particular of contracts for the sale of goods and the supply of services between suppliers or contractors (hereafter referred to as 'the Supplier') and Sitasys AG (hereafter referred to as "Sitasys AG).

1.2 By submitting an offer, the Supplier declares that he accepts the terms and conditions set out hereunder. The said terms and conditions may be varied by terms contained in the contract document or in other parts of the contract.

1.3 Any supplementary or conflicting terms, in particular the Supplier's terms and conditions of supply, shall have effect only if agreed in writing.

## 2 Order confirmation

2.1 Orders shall be binding only if issued or confirmed by Sitasys AG in writing (by post or electronic transmission). The Supplier accepts orders without signature.

2.2 Unless otherwise expressly agreed, Sitasys AG shall not be liable to compensate the Supplier for the cost of preparing an offer and for the supply of the associated plans, samples and models.

## 3 Changes in Orders

3.1 Sitasys AG may request changes to goods and services ordered provided that the overall character of the order is unaffected and that the modifications required to be undertaken by the Supplier are not unreasonable. If Sitasys AG should issue such a Change Order, the following terms shall apply.

3.2 The Change Order shall be agreed in writing before the modifications are undertaken. Should the changes required result in an increase or reduction in costs or should it prove necessary to adjust the delivery schedule, these matters shall be addressed immediately and the adjustments agreed set down in writing, failing which the originally agreed price and delivery schedule shall be deemed not to have been affected by the Change Order.

3.3 The increase or reduction shall, wherever possible, be calculated on the basis of the original costing. Should the parties fail to reach agreement, Sitasys AG may contract out to the Supplier the supply of the goods and services in question paid on time and material or, under condition of an indemnification of the Supplier in the amount defined in Art. 3.4, perform the order itself or have it performed by a third party.

3.4 Sitasys AG shall reimburse the Supplier for expenses, which the latter can show to have incurred prior to issuing of the Change Order and which have proved futile in consequence thereof.

3.5 Changes, which prove necessary in order to satisfy features specified in the contract shall in all cases, be carried out at the Supplier's expense, save where Sitasys AG has supplied inadequate or inaccurate particulars.

## 4 Materials

4.1 Materials (documents, drawings, photographs, data carriers, films, plans, tools, models, ancillary materials etc.) provided by Sitasys AG shall remain the property of Sitasys AG and must be returned on request within 10 days.

4.2 Prior to the start of manufacture, the Supplier shall check whether the ordered products comply with the material provided (same version, revision, same article name, etc.). In the event of discrepancies, the Supplier is obliged to contact Sitasys AG before the start of manufacture with a view to obtaining the correct material. Should the Supplier fail to comply with this obligation, he shall be held solely responsible for any adverse consequences.

4.3 The Supplier shall not, without having obtained prior written consent, copy or otherwise reproduce material or

supply such materials or give access thereto to third parties.

4.4 The Supplier undertakes to store and insure the materials in an appropriate manner.

## 5 Quality management

5.1 The Supplier undertakes to operate a quality management system which is certified to SN/EN/ISO 9001:2008 standard or was granted written approval in advance by Sitasys AG.

5.2 The regulations, standards and laws to which Sitasys AG expressly refers in the order documentation shall apply first and foremost. Supplementary to these regulations, standards and laws or in the absence of such references, the regulations and standards observed in the industry as well as the prevailing laws in Switzerland shall apply.

5.3 The Supplier shall take appropriate steps to ensure that his subcontractors deliver the quality demanded by Sitasys AG and, if necessary, shall enter into a quality assurance agreement with the subcontractors.

5.4 The Supplier shall guarantee that, in the event of a defect, the affected products and documentation can be identified, tracked and localised on the basis of their designation.

5.5 Changes in the manufacturing process which may negatively affect the quality of the products or result in non-compliance with the specifications must be notified in writing to Sitasys AG.

5.6 The quality of the products must be assured by the Supplier by means of appropriate inspections and process monitoring measures. The associated inspections must be defined in process documents, and the inspections themselves as well as the results and monitoring measures must be documented.

5.7 Unless otherwise specified, the status of the final inspection must be indicated on the sealed packaging with a comprehensive designation.

5.8 The Supplier shall adopt an appropriate designation scheme to ensure identification of defective products. If the Supplier is of the opinion that the defective products can be accepted by Sitasys AG, he must request special approval from Sitasys AG. The written special approval must accompany every delivered product

5.9 If products are found to be defective, Sitasys AG can ask the Supplier to provide a written statement regarding corrective and preventive measures.

5.10 The Supplier must guarantee that the quality of the products shall not be affected by handling, storage, packaging, conservation or dispatching

## 6 Confidentiality, obligation to notify, fiduciary obligation

6.1 Should either of the contracting parties receive information which it knows, or in the circumstances must assume, that the other contracting party wishes to keep confidential from third parties, it shall be bound to keep that information confidential, even after termination of the contractual relationship.

6.2 The Supplier undertakes to notify Sitasys AG immediately in writing of any identifiable and known circumstance that might endanger the correct and timely execution of the work, stating the reasons and the estimated duration of any associated delay. Should the Supplier fail to comply with this obligation, he shall be held solely responsible for any adverse consequences.

## 7 Prices

7.1 Unless otherwise agreed, the prices quoted shall be fixed prices excluding VAT. Changes in prices may be made only by mutual written consent.

7.2 Accounts will be settled net within 30 days of invoice approval. Invoices are paid subject to the proviso that, on subsequent inspection, the goods delivered and/or services performed are found to comply with the terms of the order.

## CONDITIONS OF PURCHASE

7.3 All invoices must comply with the formal regulations of the law on value added tax. Shipments of goods must indicate the country of origin and customs tariff number.

### 8 Subcontractors and suppliers

8.1 Subcontractors and sub-suppliers may be used only if Sitasys AG is notified in advance. Sitasys AG reserves the right to reject subcontractors whose interests conflict with those of Sitasys AG.

8.2 The Supplier shall be responsible to Sitasys AG for deliveries and work carried out by subcontractors in the same way as if such deliveries and work were his own.

### 9 Delivery

9.1 The agreed delivery schedule is binding.

9.2 In contracts where time is stipulated to be of the essence (fixed date of performance), the Supplier shall be deemed to be in default without a notice of default having been issued.

9.3 As from the date of default, the Supplier shall be liable for liquidated damages amounting to 0.3% of the total contract price per calendar day (but not exceeding a maximum of 10%). The penalty must be paid even if the service is accepted without reservation. Payment of the penalty does not release the Supplier from his contractual obligations but shall be offset against the debt owed for damages.

9.4 Sitasys AG may cancel the delivery after an appropriate extension of time for performance has been accorded to no avail - where such an extension is not futile from the outset. Such cancellation shall in all cases be without prejudice to Sitasys AG's right to claim further damages.

9.5 Delivery ahead of schedule is permissible only with Sitasys AG's consent. Regardless of delivery ahead of schedule, payment deadlines shall be calculated from the statutory invoice date.

### 10 Benefits and risks

10.1 Use and risks shall be transferred to Sitasys AG on handover of the goods at the designated destination.

### 11 Rights to the results of work

11.1 Sitasys AG has an unconditional right to the results of the work on the service delivered by the Supplier under the terms of his order. Sitasys AG can change, copy and make further use of the results of this work in any way whatsoever.

### 12 Minimum guarantee/warranty

12.1 The Supplier warrants that the products contain no defects such as would impair their value or fitness for use, that they possess the specified qualities and comply with the contractually agreed specifications and the pertinent provisions of law (e.g. product approval conditions). The Supplier furthermore warrants that the products delivered by him comply with EU Directive 2011/65/EU "Restriction of the use of certain Hazardous Substances in electronic equipment".

12.2 The warranty period is 24 months, unless a longer warranty period has been agreed upon. It shall begin upon delivery of the products to the appointed destination. If an acceptance procedure has been agreed, the warranty period shall begin upon successful acceptance.

12.3 Within the warranty period, every notice of defect shall be legally valid.

12.4 If, during the warranty period, it transpires that the shipment or parts thereof do not comply with the warranties given under Art. 12.1 above, Sitasys AG is entitled to choose whether the Supplier must rectify such defects, or cause them to be rectified, on-site and at the Supplier's expense, or to deliver to Sitasys AG a replacement. Should the Supplier fail to honour this obligation, after an appropriate extension of time has been accorded - where such extension is not futile from the outset - Sitasys AG shall have the right to make good the defects or to cause them to be made good at the Supplier's

expense or alternatively to rescind the contract without further formality. In any event Sitasys AG shall be entitled to claim further damage compensation.

12.5 If a defective delivery requires an incoming inspection that exceeds the normal scope of inspection, the Supplier shall be liable for the associated additional costs.

12.6 Under the terms of the law on product liability, the Supplier shall be liable for any loss, damage or injury, as well as all efforts to prevent such loss, damage or injury, that accrues to Sitasys AG or any third party as a result of the defective nature of products supplied.

12.7 The Supplier shall be liable for ensuring that no intellectual property rights of any third party are infringed by Sitasys AG's use of the goods or services supplied.

12.8 Wherever products or components supplied are subject to the intellectual property rights of third parties, the Supplier guarantees that he has entered into a licence agreement with the holders of such rights which permits the said products or components to be used freely in Sitasys AG's apparatus and equipment.

### 13 Spare parts / maintenance

13.1 Unless otherwise agreed, the Supplier shall provide maintenance of the products and spare parts at a reasonable price for five years after the final delivery of the products.

### 14 Right of audit

14.1 The Supplier shall grant Sitasys AG, if necessary accompanied by Sitasys AG's customer, the right of audit and, on advance notification, comprehensive access to areas where the ordered products are manufactured, tested and stored, as well as access to the relevant processes, documentation and quality records.

### 15 Employee protection and equal opportunities

15.1 In respect of goods and services supplied in Switzerland, the Contractor shall comply with the provisions governing employment protection and working conditions for employees (collective employment agreement or standard contract of employment or, failing these, the local or sector-standard working conditions). He shall also comply with the statutory requirements governing the equal treatment of men and women.

### 16 Legal succession

16.1 Rights and obligations arising from the contractual relationship between the Contractor and Sitasys AG may be transferred to third parties only with the consent of the respective party.

## CONDITIONS OF PURCHASE

### 17 Applicable law and jurisdiction

17.1 The applicable law is Swiss law. The Vienna Convention on International Sales of Goods is excluded. The court of jurisdiction is Solothurn, Switzerland.

17.2 Sitasys AG also reserves the right to lodge claims in the court of jurisdiction of the Supplier's place of business or before any other competent court.

### 18 Stamp/legally binding signatures

18.1 The Supplier agreed the present conditions of purchase of Sitasys AG.

For Supplier

Place, date \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

For Sitasys AG

Place, date \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_