

General Terms and Conditions of Purchase

The following General Terms and Conditions of Purchase constitute an integral part of the contracts and/or purchase agreements concluded between the purchaser (Eldom Rothrist AG) and the supplier. Deviations are only binding on the parties if they are expressly recognised by both sides in writing in separate purchase agreements.

1. General

- 1.1 Orders do not become binding until a confirmation of order has been issued by the supplier. Deviating confirmations of order will not be recognised. Any amendments and supplements are to be made in writing.
- 1.2 These Terms and Conditions apply for all purchases, which the purchaser concludes with the supplier as well as for future purchases without any specific reference to the document having to be made. In this case a copy of the Terms and Conditions must already have been received by the supplier on the occasion of a previous order placed by the purchaser.
- 1.3 Any deviating Terms and Conditions of Purchase are only binding on the purchaser if they have been recognised by the purchaser in writing and duly signed.
- 1.4 If any individual provisions should be or become invalid, the remaining provisions shall not be affected as a result.

2. Orders

- 2.1 Quotation requests made to the supplier by the purchaser are NOT to be considered as orders.
- 2.2 The purchaser is to place orders in written form only, whereby e-mail and telefax are also acceptable as a written form.

3. Terms and Conditions of Payment

- 3.1 The purchaser buys from the supplier according to payment terms of 2% discount in the case of payment within 10 days or 60 days net as from date of invoice.
- 3.2 In the case of defective goods being delivered, the Terms and Conditions of Payment shall only apply as from delivery of the faultless goods.

4. Quality Standards, Technical Documentation, Plans, Drawings, Software-programmes

- 4.1 Dimensions and text indications as well as illustrations and specifications relating to quality standards, technical and other documentation supplied by the Purchaser are binding.
- 4.2 Intellectual ownership of the plans, technical or other documents and software programmes as well as all rights in this connection remain with the Purchaser. Nevertheless usufructuary rights granted expressly and in writing to the Supplier shall also remain in force.

5. Date of Delivery, Delay

- 5.1 The delivery dates which have been proposed and accepted must be observed to their full extent by the supplier. Overdue claims made to the purchaser by customers on account of late delivery are to be passed on to the supplier.
- 5.2 The delivery date becomes binding when the supplier issues the confirmation of order.

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- 5.3 The agreed delivery dates are to be extended accordingly and without any claims for damages in favour of the supplier in the following cases:
- When the purchaser does not receive the indications from the customer, which are necessary for fulfilment of the contract, in good time or when they have to be amended subsequently;
 - When force major or war prevent delivery on time or acceptance on time.

6. Delivery Logistics Requirements

- 6.1 Delivery takes place to the purchaser's factory in the form of delivery agreed. As a matter of principle, the official delivery clauses according to Incoterms 2000 shall apply.
- 6.2 The goods must be packaged and secured in such a way as to be protected against damage and soiling during transport.
- 6.3 In cases where different articles are being delivered, these are to be delivered separately in different packaging units according to articles. (Exceptions may only be made here following prior consultation with our Purchasing Department.)
- 6.4 If deliveries of goods to Eldom Rothrist AG take place on pallets, EURO-pallets are to be used (without any damage) exclusively (Exceptions may only be made here following prior consultation with our purchasing department.)
- 6.5 Maximum packaging size: Height 180 cm (incl. pallet), width 120 cm, length 150 cm
- 6.6 Maximum weight per pallet is 1,000 kg
- 6.7 A pallet note is always to be attached to the pallets for purposes of identification (Article no. of Eldom Rothrist AG) giving exact information about the pallet contents.
- 6.8 The packaging units are to be provided with a label on the short as well as the long side. The label is to include an article description, article number, quantity and the quantity unit.
- 6.9 In the case of packaging units in kilos, the weight per packaging unit is to be shown.
- 6.10 Delivery/Notification: in the case of deliveries by lorry, notification is to be given at least one day in advance. For this purpose a fax with the date /time and an indication of the quantity shall be considered sufficient.
- 6.11 Deliveries must have an easily legible delivery note in order to be accepted. The order number of Eldom Rothrist AG and the Eldom article number per item with the relevant quantity must be clearly recognisable.

7. Documentation

- 7.1 The supplier is to ensure that all delivery documents and invoices include mention of the following details: correct address of the supplier incl. contact person, correct address of Eldom Rothrist AG incl. date of issue of confirmation of order, contact person, Eldom article number, order number, delivery date, delivery conditions, place of delivery, quantity, tolerated waste, price, quality specification or indication with date of product release. If any of these details are either omitted or incorrect, the purchaser shall be entitled to charge a fee amounting to CHF 100.00 to cover the extra work involved, which is to be deducted from the invoice relating to the delivery in question.
- 7.2 The supplier shall keep documentation concerning the production of the goods delivered, in particular relating to the 100% control at the point of exit or the statistical process control.

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8. Guarantee and Compensation

- 8.1 The supplier fundamentally produces according to the usual standard quality norms which apply in the particular area in question. Additionally, the quality standards of the purchaser shall apply. The supplier is obliged to supply impeccable goods in accordance with the quality specifications to the assembly companies of the Purchaser. The supplier is to conduct a 100% point of exit control of the deliveries or can, at the request of the purchaser, produce an excerpt from the statistical process control.
- 8.2 The purchaser or its assembly companies may additionally conduct random quality tests on the deliveries made by the supplier. Any faults or deficiencies in the goods or service are to be communicated to the supplier immediately.
- 8.3 The supplier is to exchange the parts and services which do not conform with the order as quickly as possible for goods which conform to the quality specified or, according to the wish of the purchaser, a credit note for the counter value of the faulty parts may be issued.
- 8.4 The supplier is to pay full compensation to the supplier for all costs which can be proved to ensue from late or faulty delivery, in particular for personal injury and damage to property as well as for damages relating to delay and loss of output.

9. Cancellation, Withdrawal

- 9.1 Cancellations of orders are subject to the express and written agreement of the purchaser and supplier.
- 9.2 Justified complaints concerning quality and dimensions of a delivery give a right to the cancellation of residual deliveries relating to the order in question.
- 9.3 The purchaser is entitled to withdraw from obligations to accept deliveries made if
 - a) the supplier does not fulfil the requirements in accordance with Item 8
 - b) the financial situation of the supplier deteriorates considerably
 - c) the financial situation of the supplier transpires to be different from what has been indicated to the purchaser.

10. Binding Nature of the Original Text

In case any differences should arise between the German version of these General Terms and Conditions of Purchase and the version in another language, the German original text shall apply.