

1. 1.1

Exclusive validity These General Terms and Conditions of Purchase (hereinafter referred to as "GPC") apply to the procurement activities of Arthur Flury AG (hereinafter referred to as "AF").

1.2 AF shall not recognise any terms and conditions of the supplier that contradict or deviate from these GPC unless there is a written agreement to this effect.

1.3 These GPC shall also apply if AF accepts the supplier's delivery without reservation in the knowledge of contradictory or deviating terms and conditions of the supplier.

1.4 The scope of delivery, specifications, objectives, delivery dates and prices shall be set out in separate purchase orders. The individual supply contracts shall be concluded with acceptance of these purchase orders. These GPC shall form an interval part of these purchase. integral part of these contracts.

2. Offer

2. Other 2.1 The supplier, in the capacity of specialist, will be requested to submit an offer free of charge. The supplier's offer must comply with the descriptions and objectives of AF and make express reference to any deviations; the supplier acknowledges its obligation to provide information. In the absence of a specified deadline, the supplier's offer shall be binding for 90 days.

Purchase order

3.1 Orders must be placed in writing; this also shall also apply in principle to the supplier's acceptance of the order. Irrespective of this, an order shall also be deemed to have been accepted if the supplier does not object within 5 days of receipt of the order.

3.2 The scope of delivery includes everything that is necessary for the fault-free and operational functioning of the product, regardless of whether this is mentioned and described in the purchase order specification.

3.3 Further quality agreements shall be defined on a per-order basis or by means of a generally applicable document. The following documents, records and specifications in particular shall be decisive for determining quality: purchase order, drawings, quality agreements and standard sheets (information on drawings).

Prices and delivery conditions 4.

4.1 The supplier's prices are fixed prices and are quoted in the currency specified in the purchase order, inclusive of delivery, duty paid, Deitingen SO (the applicable INCOTERMS). Any other delivery terms shall be agreed by the parties in writing.

4.2 The supplier shall be liable for transport damage due to unsuitable packaging.

4.3 A delivery note containing all details specific to the order shall be enclosed with each consignment. Partial and residual shipments shall be marked as such on all shipping documents and invoices.

4.4 The supplier shall enclose documentation with its deliveries 4.4 The supplies shall enclose documentation with its deliveries at its own expense, including the EU declaration of conformity (CE mark) or EU manufacturer's declaration. A supplier domiciled in a country other than Switzerland under-

takes to correctly indicate a free declaration of origin on all

4.5 AF reserves the right to return invoiced packaging material to the supplier in exchange for a credit note.

Payment terms

5.1 The purchase order number, exact description of the goods and the number of the drawing or part shall be noted on all correspondence, confirmations, delivery notes, invoices, etc.

5.2 AF shall make payment in accordance with the payment terms agreed on AF's purchase orders.

Delivery lead time and consequences of delay

6.1 The delivery is due on the agreed delivery date at the delivery destination. In the event of a delay in delivery, a default shall occur automatically unless the parties agree on a different solution in the event of early notification of difficulties.

6.2 Contractual penalty: This shall be regulated separately by contract.

 $6.3\,$ The supplier may only cite the absence of necessary services to be provided by AF if it has requested these in good

6.4 Partial deliveries and early deliveries shall be permitted only by agreement.

6.5 If the supplier is in default of delivery and a reasonable grace period has elapsed unsuccessfully, AF may refuse to accept the delivery, withdraw from the contract or demand compensation for non-fulfilment of the delivery obligation.

 $6.6\,$ If it becomes clear before the delivery is due that the supplier will exceed the delivery date, AF may also withdraw from the contract and waive the delivery.

6.7 Withdrawal shall also be possible if it can be foreseen in the course of manufacture that the delivery item will not be fit for purpose.

7. Warranty, liability

The supplier guarantees compliance with the properties and specifications promised in the respective delivery contracts and that the product it delivers has no defects that could impair the functionality, operational reliability or standard service life under the known conditions of use. Irrespective of this, the supplier guarantees that the product to be delivered is tested and inspected and complies with the recognised safety rules applicable to the technology, the statutory regulations and the existing regulations and guidelines with regard to design, occupational safety regulations and guidelines with regard to design, occupational safety, fire and environmental protection, and that it has been designed in such a way that it does not pose a risk to life or health when used as intended and with due care. In this context, the supplier shall also be liable to AF for defects or missing properties and specifications that, after inspection, are the responsibility of a third party (e.g. the supplier's subcontractor).

7.2 Within the scope of the supplier's obligations under 7.1 and the quality assurance agreement, AF shall not be subject to an immediate obligation to inspect and give notice of defects in order to retain its warranty claims. However, this shall not apply to obvious defects or defects that AF can reasonably be expected to report in good faith for other reasons.

7.3 The statutory warranty period shall be 24 months, with effect from delivery to AF. Defects notified during the warranty period, which also include the non-achievement of guaranteed data and the absence of warranted characteristics, must be remedied by the supplier immediately and free of charge (including all ancillary costs) upon request. In all other respects AF shall be entitled to the full statutory warranty claims. AF may, however, at its discretion, demand a replacement delivery of defect-free (goods) or rectification of the defects. When exercising this right of choice, appropriate consideration must be given to whether the supplier is capable of rectifying the defects based on its expertise and specialisation of its business. The supplier shall in any case bear all expenses incurred in relation to the rectification of defects or replacement delivery.

7.4 The warranty period for replacement deliveries and rectifica-tion of defects shall be 24 months with effect from the date of delivery to AF.

7.5 AF shall only be entitled to cancellation or a price reduction after efforts to rectify defects/effect replacement delivery have failed.

The rectification/replacement delivery shall be deemed to have failed in particular if the supplier exceeds reasonable deadlines set by AF or refuses to carry it out.

7.6 If AF cannot reasonably be expected to accept rectification by the supplier due to particular urgency or for other urgent operational reasons, AF shall be entitled to have the rectification carried out by a third party at the supplier's expense without setting a grace period. In this case, however, AF shall be obliged to notify the supplier of the defect without delay.

 $7.7\,$ The supplier shall be liable for all damage, including consequential damage, caused by the product it supplies within the scope of the properties it warrants in the individual contract.

7.8 If persons are injured or third-party property is damaged as a result of actions or omissions on the part of the supplier and AF is held liable as a result, AF shall be entitled to recourse against the supplier.

7.9 The supplier shall be expressly and unconditionally liable for its suppliers as for its own services.

7.10 The supplier expressly undertakes to indemnify AF in full against any claims asserted by AF against a purchaser that are attributable to defects or omissions on the part of the supplier or its subcontractors. Full indemnification shall therefore apply in the event of liability claims by purchasers, end customers or third parties.

7.11 The supplier shall also be liable to AF in particular for costs incurred in defending liability claims, in the implementation of or participation in recall measures or in making compensation payments to purchasers, end customers or third parties.

7.12 The supplier shall indemnify AF for any costs incurred in determining defects and damage as well as for the costs of dismantling and installing the contractual item in a system or plant of the purchaser, end customer or third party, insofar as these are attributable to a defective contractual item.

Product liability, indemnification, insurance cover 8.

8.1 If the supplier is responsible for product damage, it shall be obliged to indemnify AF upon first request against claims for damages by third parties insofar as the cause of the damage lies within the sphere of responsibility and organisation of the supplier or its suppliers.

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8.2 As part of this obligation, the supplier shall also reimburse AF for all expenses incurred in connection with a recall action carried out by AF. To the extent reasonable, AF shall inform the supplier of any recall measures to be carried out.

8.3 In order to cover the aforementioned claims and all other claims arising in connection with the product, the supplier under-takes to take out general business and product liability insurance with an appropriate amount of cover per loss event and to maintain this insurance cover in full for at least 5 years after expiry of the corresponding supply contracts.

Third-party property rights

9.1 The supplier shall be liable for ensuring that the delivery and use of the items offered do not infringe third-party property rights (patents, designs, models, etc.). Otherwise it shall hold AF

Technical documentation and operating instructions

10.1 AF shall provide the supplier with all technical documentation required for the fulfilment of the work ordered.

10.2 Before the start of production, AF must be provided with execution drawings for approval upon request. Approval by AF does not release the supplier from its responsibility for the functional suitability and feasibility.

10.3 Upon request, the documents prepared by the supplier on the basis of AF's specifications / requirements specification shall be made available to AF in a set of reproducible and microfil-mable drawings and/or by means of CAD data.

10.4 Upon request, AF shall be provided with the definitive execution plans, maintenance and operating instructions and spare parts lists required for proper maintenance of the delivery free of charge in electronic form (PDF) in German or English upon delivery.

10.5 The supplier's documentation may be reproduced and published without prior consultation.

Right of inspection

AF shall be entitled to check the progress of the work; this shall neither change nor limit the supplier's obligation to fulfil the contract

12. Assembly 12.1 If the supplier is also obliged to carry out assembly, this shall be included in the delivery price, unless special remuneration has been agreed.

13. Confidentiality and product-related exclusivity agreement

13.1 The supplier may not use the business and manufacturing secrets provided by AF, as well as AF customer data and draw ings that have been made available in connection with the execution of supply contracts, for purposes other than the fulfilment of the supply contracts, or make them accessible to third parties. In particular, the supplier is prohibited from using the manufacturing know-how provided by AF to manufacture compa-rable products for other customers or to have such products manufactured for other customers in any form.

13.2 The supplier must ensure by means of appropriate contrac-tual agreements that this confidentiality obligation is also imposed on its employees and subcontractors.

13.3 This provision applies indefinitely. However, it shall expire as soon as the manufacturing knowledge provided by AF in illustra-tions, drawings, calculations and other documents has become public knowledge

14. Applicable law, place of performance 14.1 The individual contract and these GPC are subject to the relevant Swiss law.

14.2 Unless otherwise agreed in writing, the place of performance for all claims arising from the delivery contracts shall be the production site of AF AG in Deitingen SO, Switzerland.

General provisions 15.

15.1 The written form must be used for all amendments and additions to the GPC, all supply contracts concluded on the basis thereof and for the corresponding annexes. This shall also apply to agreements that cancel this written form clause in whole or in

There shall be no verbal agreements or secondary arrangements

15.2 Rights and obligations arising from these GPC and the supply contracts concluded on their basis and the corresponding annexes shall not be transferable without the mutual written consent of the parties.

15.3 Should individual provisions of these GPC be invalid or unlawful, this shall not affect the validity of the remaining provi-sions. In this case, the parties undertake to agree on an analogous replacement provision that comes as close as possible to the invalid provision and is legally permissible.