

GENERAL TERMS AND CONDITIONS (GTC) FOR THE PURCHASE OF GOODS

1. Scope of application

- 1.1. These General Terms and Conditions („GTC“; 05/2011 version) apply to all business relations of RONAL AG (“RONAL”) in which RONAL purchases goods or orders services from suppliers, including cases where, in later contracts, these GTC are not mentioned.
- 1.2. RONAL and the supplier are referred to collectively as the Parties.
- 1.3. RONAL is willing to enter business relations with suppliers only on the basis of these GTC. General Conditions of the supplier are not applicable. These GTC are deemed to have been accepted by the order confirmation of the supplier. In cases where a tender precedes the order, the GTC are deemed to have been accepted by the submission of the offer by the supplier.
- 1.4. The provisions of these GTC apply insofar as the Parties have not agreed on another rule in the order or in the supplier agreement. In case of contradictory provisions, the following order of priority applies:
 1. The order
 2. The supplier agreement
 3. These GTC

2. Offer and order

- 2.1. Unless the Parties have agreed otherwise, the offer following a tender is free of charge.
- 2.2. The duration of validity of the offer must be specified if it is shorter than six months. If nothing is specified, the supplier’s offer is valid for six months as of the date of issue.
- 2.3. The supplier shall confirm the order within ten days of its reception. If an order not preceded by an offer is not confirmed within this time, it is deemed to have been rejected. A late confirmation or one containing modifications or additions is deemed to be an offer.

3. Pricing

- 3.1. The supplier performs its contractual obligations for a fixed price. If in the case of orders of services, a remuneration based on time of work is agreed, the supplier shall communicate beforehand the total time with a maximum limit, and specify the methods of cost calculation and the rates.
- 3.2. The agreed remuneration covers all the work performed by the supplier which is necessary for the proper performance of the contract, such as costs for packaging, transport, insurance, royalties, taxes and public fees, secretarial work, etc.
- 3.3. Unless otherwise stipulated, payments will be made within 30 days after reception of the invoice, but not earlier than 30 days after reception of the goods or performance of the ordered services.

- 3.4. If a payment schedule is agreed for services, the scheduled payments shall be subject to the progression of the work and to the time devoted to the work. On the due date, the supplier shall send the invoice which is payable within 30 days after reception.
- 3.5. Unless otherwise stipulated, RONAL is entitled to deduct a discount of 2% from payments made within 10 days after reception of the invoice.

4. Place of performance and transfer of risk

- 4.1. RONAL shall specify the place of performance.
- 4.2. Unless otherwise agreed, the place of performance shall be Härkingen, Switzerland.
- 4.3. Freight charges are at supplier's expense, unless otherwise agreed.
- 4.4. Title and risk are transferred to RONAL at the place of performance.

5. Performance

- 5.1. The supplier undertakes to perform the contract competently and carefully. He shall use only appropriate and tested materials and shall appoint well trained personnel. The performance shall be carried out according to the art. Before the delivery the supplier shall check that the goods are in qualitative and quantitative conformity with the order and shall confirm the control on the delivery note.
- 5.2. If technical data is missing or insufficient (for example material or quality specifications) the supplier shall contact RONAL as rapidly as possible. Modifications require the written agreement of RONAL.
- 5.3. The goods shall be delivered in the prescribed lots. RONAL shall not be obliged to accept excess or smaller deliveries.
- 5.4. If the delivery is provided more than one month after conclusion of the contract, or if the performance of the contract lasts longer than one month, the supplier shall inform RONAL regularly of the advancement of the contractual performance. All circumstances which hinder the performance in conformity to the contract must be communicated to RONAL immediately in writing.
- 5.5. The supplier shall provide the contractual performance personally in principle and may not oblige RONAL towards third parties.
- 5.6. In case of orders for processing material provided by RONAL, the material delivered by RONAL remains the sole property of RONAL also after the processing has been carried out. The delivery shall be checked by the supplier immediately upon reception and any discrepancies shall be announced immediately.
- 5.7. The goods shall be packed for transport carefully and provided with a delivery note stating the order number and the person in charge at RONAL.

6. Intellectual property rights

- 6.1. The documents and data provided by RONAL for the performance of the contract (for example drawings, moulds, models, calculations, samples, etc.) remain the sole property of RONAL. Even if such documents or data are not patentable, they may not be copied or communicated to third parties without RONAL's prior written consent.
- 6.2. Upon payment of the contractual remuneration, all industrial rights necessary for the performance of the contract become the intellectual property of RONAL.

7. Confidentiality

- 7.1. The parties shall keep confidential all information which is not generally known or in the public domain. Confidentiality has to be maintained even before signing the contract and the confidentiality requirement remains valid after the end of the contractual relationship. Legal disclosure obligations remain reserved.
- 7.2. If the supplier wants to advertise the contractual relationship with RONAL or make it public otherwise, prior written consent of RONAL is required.

8. Default

- 8.1. The supplier is in default without further notice if the delivery deadline agreed upon by the parties is not respected. If no delivery deadline has been agreed upon, the supplier shall be in default after a reminder and granting of a reasonable extra term.
- 8.2. Even if a delivery term has been agreed upon, RONAL may give the supplier a second deadline with the legal consequences.
- 8.3. If, in the order, a penalty has been agreed upon, it shall be due in the amount of 1‰ of the purchase price per day of delay, but not more than 10% of the purchase price. The payment of the penalty does not exempt the supplier from performing his contractual obligations. In cases of force majeure, no penalty shall be due.

9. Guarantee

- 9.1. The supplier guarantees that the contractual goods have the promised qualities and that they are free of any material or legal defects which decrease their value or suitability for the intended use.
- 9.2. An inspection obligation after delivery of the contractual goods and services is expressly excluded.
- 9.3. If the goods are defective, RONAL has the choice to reduce the price in accordance with the reduced value of the delivery, cancel the contract or request that the goods be replaced and delivered (replacement delivery). The replacement delivery may be made by an exchange of the defective components.
- 9.4. The guarantee period expires 24 months after delivery of the goods.

9.5. Limitations of guarantee or liability of any kind shall not be admitted and are excluded.

10. General provisions

10.1. Should a provision of these GTC prove to be invalid or unenforceable, the remaining provisions shall not be affected thereby. The invalid or unenforceable provision shall be replaced by a valid and enforceable provision which will be as similar as possible to the provision to be replaced.

10.2. Claims belonging to the supplier may not be assigned or pledged without RONAL's written agreement.

11. Applicable law and jurisdiction

11.1. The contract is governed exclusively by Swiss Law. The provisions of the Vienna Sales Law Convention (United Nations Convention on Contracts for the International Sale of Goods, concluded in Vienna on 11 April, 1980) are expressly excluded.

11.2. All disputes, disagreements or claims arising out of or relating to this Agreement, including their validity, invalidity, infringement or dissolution, shall be brought before the ordinary courts at the domicile of RONAL. However, RONAL may also assert its rights at the domicile of the supplier.

GTC July 2014