

Conditions of purchase

GIFAS-ELECTRIC GmbH, CH-9424 Rheineck, effective as of 1st January 2018

1. General aspects

- 1.1 The conditions mentioned hereinafter shall apply for all orders, provided nothing to the contrary has been agreed upon. The general terms and conditions of the supplier shall apply only with respect to those points, for which our explicit written approval has been given.
- 1.2 Orders and agreements by telephone or orally shall be binding only, if they have been confirmed by us in writing.
- 1.3 Upon request we expect an order confirmation within seven days. Its absence shall be considered acceptance of the order at the conditions mentioned therein.
- 1.4 Deviations from our conditions of purchase shall be binding for us only, if we agree to the said in writing.

2. Documents

- 2.1 Drawings, calculations, samples as well as all other documents rendered available to the supplier shall remain our legally protected property. For this reason, the said shall not be made available to a third party in any form without our written approval. The said must not be used for the production of goods for third parties either.
- 2.2 Provided nothing to the contrary has been agreed upon, all documents shall have to be returned to us unbid after execution or rescission of an order.

3. Paid labour

- 3.1 Goods supplied for processing shall remain our property. Processing orders as well as finishing orders shall have to be carried out precisely according to our drawings, standards and guidelines for subcontractors.
- 3.2 Material provided by us shall not be used by the supplier for offsetting outstanding claims.
- 3.3 The supplier shall be liable for incorrect treatment, storage, damage or loss of the goods.

4. Delivery

- 4.1 The delivery shall have to be carried out appropriately and in a professional manner using best suited material. Any special provisions in the order shall have to be observed precisely. By no means must the delivery quantity deviate by more than 2 per cent from the quantity ordered.
- 4.2 All deliveries shall be made at the risk of the supplier. Prices shall include free delivery as from an invoiced amount of CHF 1,000.00.
- 4.3 The delivery time shall start at the day of order up to the arrival of the goods in Rheineck.
- 4.4 If the delivery times specified by us in the order are not objected to immediately, they shall be considered absolutely binding.
- 4.5 In case of missed deadlines, the contractual penalties agreed upon may be deducted from the invoiced amount without substantiating the damage having occurred.

5. Supervision and liability

- 5.1 After receipt of the consignment it will be checked by us at our own discretion. Defects caused by the use of bad material, unprofessional execution or faulty construction shall have to be removed by the supplier immediately free of charge. When required, the faulty goods have to be replaced. There is no time limit for checking the goods received.
- 5.2 If the order specifies guarantees exceeding the legal guarantees or if the said is stated by the supplier, the liability for defects mentioned hereinbefore shall be determined by these special conditions as well.
- 5.3 The acceptance and payment of the goods shall not rule out subsequent complaints.

6. Binding obligations

- 6.1 CE conformity
The order shall be placed on condition that the goods to be supplied are in conformity with the recognised rules of engineering as well as RoHs and REACH with respect to safety. The supplier shall be obligated to declare the safety-related conformity in the order confirmation and shall present the necessary documents for perusal upon request. This obligation shall be part of the contract. If this obligation is not observed, the order shall not be fulfilled properly. Claims for damages for resulting consequences shall be reserved.

6.2 Social responsibility

Suppliers shall be obliged to comply with the respective legal stipulations on handling employees, environmental protection and occupational safety. They shall make sure that negative effects on humans and the environment are reduced as much as possible. Suppliers shall be obliged to process the contract as per the principles specified in the directive of the Global Compact UN initiative and the International Labour Organization (ILO) as part of the "Declaration on fundamental principles and rights at work". Suppliers shall neither actively, nor passively, directly, nor indirectly participate in any form of bribery and corruption, infringements of the human rights or discrimination of employees, forced labour or child labour.

7. Shipment, transport, packaging

- 7.1 Every consignment shall include a delivery note. The delivery as well as the invoice and the correspondence shall include the following data imperatively:
 - a) our complete order number, if available
 - b) our article number, if available
 - c) name of contact person
 - d) the precise delivery quantity and designation of the goods
 - e) information on partial or remaining delivery
 - f) drawings / documents enclosed to the order, if applicable
- 7.2 Every item has to be provided with a well visible label or another designation.
- 7.3 Small scale deliveries must be post-paid, if the price provides unstamped delivery, the normal freight shall be settled on the invoices.
- 7.4 Shipment and insurance instructions shall be obtained from us in due time for consignments dispatched by foreign works of the supplier, which are at our risk according to the agreement. The supplier shall be responsible for a correct customs declaration. Customs duties which are caused by incorrect declaration shall be charged to the supplier.
- 7.5 The supplier shall bear any damage during transport caused by insufficient packaging.
- 7.6 The packaging shall be returned only, if this has been agreed upon, and the delivery note contains a corresponding note.

8. Property rights

- 8.1 The supplier shall be liable for ensuring that no property rights or business and operational secrets of third parties are violated by the shipment of the objects supplied. The said shall indemnify us against claims of third parties.

9. Invoice and payment

- 9.1 All invoices shall include our address, order number, and if available, article number, reference and date of our order. The invoice has to be in keeping with the standard VAT rules.
- 9.2 Provided nothing to the contrary has been agreed upon, the invoice shall have to be issued immediately after shipment of the goods. The said shall have to indicate whether partial or remaining delivery has been carried out.
- 9.3 Provided nothing to the contrary has been agreed upon, the payment shall be made within ten days after receipt of the goods deducting 2 per cent cash discount.
- 9.4 The day of the receipt of the invoice in our office shall be decisive for the calculation of the discount period.

10. Place of performance

- 10.1 The place of performance for delivery and payment shall be Rheineck, Switzerland.

11. Venue

- 11.1 The venue shall be the headquarters of the company in Rheineck, Switzerland. All potential differences shall be decided upon exclusively by the competent court in the Canton of St. Gallen (Switzerland).