

General Terms and Conditions of Purchase from 1 August 2016

1. General information and scope

- 1.1 These General Terms and Conditions of Purchase shall apply bindingly between Ivers-Lee AG and its suppliers or service providers, hereinafter referred to as suppliers. The supplier's terms and conditions, in whole or in part, shall only apply if expressly confirmed in writing by Ivers-Lee AG. Neither failure to object, nor payment or acceptance of goods shall constitute an acknowledgement of third-party terms and conditions.

2. Order and order confirmation

- 2.1 The supplier shall be obliged to confirm orders within two working days. The content, quantity and delivery date shall be confirmed. If the supplier does not accept an order in writing within two days of receipt, Ivers-Lee AG shall be entitled to revoke the order.
- 2.2 The supplier may only subcontract with the prior written consent of Ivers-Lee AG. If a subcontractor is commissioned, full liability towards Ivers-Lee AG shall remain with the supplier.
- 2.3 Ivers-Lee AG shall be entitled to withdraw from all contractual obligations if the financial situation of the supplier deteriorates significantly or if it presents itself differently to how it was presented to Ivers-Lee AG.

3. Confidentiality

- 3.1 The contracting parties undertake to treat as business secrets all commercial, technical and organisational details that become known through the mutual business relationship.
- 3.2 All drawings, designs, models, prototypes, templates, samples, tools, parts lists, electronic data, etc., which Ivers-Lee AG hands over to the supplier or which are produced on behalf of Ivers-Lee AG by the supplier or third parties, may not be made available or otherwise accessible to unauthorized third parties. The reproduction of such items is only permitted within the scope of operational requirements and copyright regulations.
- 3.3 Subcontractors shall be obligated accordingly.
- 3.4 The supplier may only advertise the business relationship with the prior written consent of Ivers-Lee AG.

4. Prices, terms of payment and assignment

- 4.1 The prices agreed when the order is placed are fixed and shall include all ancillary services required to fulfil the contract. Unless otherwise agreed, deliveries shall be made "DDP" (INCOTERMS 2020), including recyclable packaging.
- 4.2 Value added tax is not included in the prices.
- 4.3 Unless otherwise agreed, Ivers-Lee AG shall make payments within 10 days with a 5% discount, 30 days with a 2% discount or 60 days net after receipt of proper and VAT-compliant invoices, as well as complete shipping, delivery and inspection documents.
- 4.4 Payments do not constitute recognition of the contractual nature of the benefits or the regularity of their calculation.
- 4.5 Ivers-Lee AG shall be entitled to make payments through another group company.
- 4.6 Without the prior written consent of Ivers-Lee AG – which may not be refused without good cause – the supplier shall not be entitled to assign its claims against Ivers-Lee AG or to have them collected by a third party.

5. Delivery

- 5.1 The delivery dates or delivery periods stated by Ivers-Lee AG are binding. The supplier undertakes to deliver all required documents as well as the goods within the agreed delivery time. Delivery of the required documents is an essential part of the supplier's obligation to perform. The receipt of the goods at the agreed place of delivery shall be decisive for compliance with the delivery dates or delivery periods.
- 5.2 The supplier undertakes to notify Ivers-Lee AG without delay in writing if circumstances occur or become apparent which could cause a delay in delivery.
- 5.3 The supplier shall be obliged to compensate for the entire damage caused by the delay. Compensation for damages shall include, in particular, additional freight costs, retrofitting and conversion costs, damages resulting from interruptions to operations and compensation for damages that Ivers-Lee AG is obliged to pay to its customers. In case of failure to comply with an extended deadline and in case of cessation of interest in the delivery on the part of the supplier, the additional expenses for covering purchases shall also be reimbursed by the supplier. Ivers-Lee AG reserves the right to assert further claims based on law and/or contract, in particular due to non-compliance with guaranteed delivery dates or deadlines. The unconditional acceptance of a delayed delivery or service shall not constitute a waiver of the claims for compensation to which Ivers-Lee AG is entitled due to the delayed delivery or service.
- 5.4 Force majeure, industrial disputes, unrest, official measures, transport disruptions, sales difficulties and other unforeseeable, unavoidable and serious events at Ivers-Lee AG shall release Ivers-Lee AG from an obligation to accept and pay damages to the supplier for the duration and to the extent of their effect, to the extent that Ivers-Lee AG cannot avert this fault through reasonable means.
- 5.5 When Ivers-Lee AG provides products for further processing, all of these must be returned correctly processed. In the case of underdeliveries, the causes must be documented and the whereabouts of the goods must be proven. The value of the goods and subsequent costs can be fully charged to the supplier. Agreements that deviate from this shall require written form.
- 5.6 The supplier shall ensure through proper and professional quality assurance that only defect-free goods and services are delivered.
- 5.7 All costs from services rendered by Ivers-Lee AG caused by poor quality products as well as missing documents shall be invoiced to the supplier. CHF 500.00 shall be invoiced for additional expenses.
- 5.8 The quantity specifications, as set out in the order from Ivers-Lee AG, must be strictly adhered to.
- 5.9 Unless otherwise agreed, the place of performance shall be the agreed place of delivery.
- 5.10 The delivery documents and the invoices must show the full data of Ivers-Lee AG, such as order number, article number, delivered revision level, article designation and supplier number.

6. Approval

- 6.1 Unless otherwise agreed, Ivers-Lee AG undertakes to accept quantities ordered in writing. Submitted planning figures and demand forecasts shall not be considered as an order.

7. Material defects

- 7.1 The incoming goods inspection by Ivers-Lee AG is limited to the identification of the goods, inspection of the delivery and inspection documents, determination of clearly visible transport damage and a quantity check based on estimation.
- 7.2 Ivers-Lee AG shall notify the supplier without delay in writing of any defective deliveries and/or services as soon as they are detected in the ordinary course of business. To this extent, the supplier waives the objection of delayed notification of defects.
- 7.3 In the event of a complaint, Ivers-Lee AG shall be entitled to withhold payments in reasonable proportion to the damage incurred.
- 7.4 The limitation period for claims for defects is 12 months, calculated from delivery. This also applies to repaired products or products delivered as replacements.
- 7.5 If the supplier, with the consent of Ivers-Lee AG, checks for the existence of a defect or remedies a defect, the expiry of the limitation period for claims based on defects shall be suspended, commencing on the date of receipt of the notice of defect by the supplier, until the supplier finally notifies Ivers-Lee AG of the result of the check or declares the defect to have been remedied or refuses to continue to remedy the defect.
- 7.6 Ivers-Lee AG shall be entitled in full to the statutory claims for defects. In urgent cases, in particular to avert acute dangers or to avoid major damage, or if the supplier is in default in fulfilling its obligations, Ivers-Lee AG may have defects remedied at the supplier's expense or procure defect-free goods elsewhere.
- 7.7 If Ivers-Lee AG incurs costs as a result of defective delivery, in particular transport costs, travel costs, labour costs, material costs or costs for an incoming goods inspection exceeding the usual scope, these shall be borne by the supplier.

8. Liability, indemnification and insurance coverage

Unless otherwise agreed, the following shall apply:

- 8.1 If the supplier breaches an obligation from the contracts concluded, Ivers-Lee AG may demand compensation for the damage incurred as a result, irrespective of whether this involves personal injury, property damage or financial loss.
- 8.2 If Ivers-Lee AG has to assume liability towards customers or authorities due to liability based on fault or regardless of fault, the supplier shall assume liability towards Ivers-Lee AG to the extent that it would also be directly liable. The supplier shall indemnify Ivers-Lee AG against all claims in this respect.
- 8.3 Ivers-Lee AG shall also be entitled to demand reimbursement from the supplier of the expenses which it has to bear in relation to its customers, insofar as the customers have a claim against Ivers-Lee AG for reimbursement of the expenses necessary for the purpose of subsequent performance, in particular transport, travel, labour and material costs.
- 8.4 The supplier undertakes to maintain a product liability insurance policy, including a recall cost insurance with adequate coverage, and to provide evidence of this upon request. The liability of the supplier is not limited to the amount of this coverage.
- 8.5 If Ivers-Lee AG or one of its direct or indirect customers carries out measures to avert danger (such as recall action), the supplier shall be liable to the extent that the danger was caused or contributed to by its performance.

9. Intellectual property rights and industrial property rights

- 9.1 The supplier guarantees Ivers-Lee AG that the use and resale of the ordered goods and services is permissible without infringing third-party rights, including intellectual property rights or industrial property rights.
- 9.2 In the event of infringement of third-party rights, the supplier shall indemnify Ivers-Lee AG against all claims asserted by third parties against Ivers-Lee AG.

10. Provision and retention of title

- 10.1 If Ivers-Lee AG provides parts to the supplier, Ivers-Lee AG shall retain title these parts. Processing or remodelling by the supplier shall be carried out for Ivers-Lee AG.
- 10.2 The supplier shall be obliged to take all necessary actions and make all necessary declarations so that the retention of title by Ivers-Lee AG can become formally effective.

11. Production equipment and material

- 11.1 The production equipment provided shall remain the property of Ivers-Lee AG. Production equipment which the supplier manufactures or procures itself shall become the property of Ivers-Lee AG if and as soon as Ivers-Lee AG assumes the costs for this. If Ivers-Lee AG only assumes part of the costs for the means of production manufactured or procured by the supplier, the supplier shall grant Ivers-Lee AG pro rata co-ownership of such means of production. Should the granting of co-ownership be ineffective, the supplier shall be obliged, if Ivers-Lee AG so requests, to transfer ownership of the means of production to Ivers-Lee AG, provided Ivers-Lee AG bears the difference in costs between those already borne and the sales value of the means of production then calculated. All production equipment which is or becomes the property of Ivers-Lee AG in accordance with one of the preceding paragraphs shall be clearly marked by the supplier with "Property of Ivers-Lee AG". This production equipment may not be sold, pledged or otherwise transferred to third parties or used in any way for third parties without the express consent of Ivers-Lee AG.
- 11.2 The supplier undertakes to use the production equipment exclusively for the manufacturing of the goods ordered by Ivers-Lee AG. The production equipment belonging to Ivers-Lee AG shall be insured by the supplier at its own expense at replacement value against fire, water and theft damage. The supplier shall carry out any necessary maintenance and inspection work in good time at its own expense. Malfunctions must be reported without delay. If the supplier fails to do so, it shall be liable for damages.
- 11.3 Before the expiry of the period of 15 years after the last delivery, the above-mentioned production equipment may only be scrapped with the written consent of Ivers-Lee AG. In each case, scrapping must be requested in writing in advance. Tools and other devices shall be stored under suitable conditions and at the expense of the supplier.

12. Jurisdiction, applicable law, severability clause and CISG

- 12.1 The place of jurisdiction is CH-3400 BURG DORF.

- 12.2 All legal relations between the supplier and Ivers-Lee AG shall be governed exclusively by Swiss law, to the exclusion of the Vienna Sales Convention (United Nations Convention on Contracts for the International Sale of Goods). INCOTERMS 2012 shall apply to the interpretation of delivery clauses.
- 12.3 In the event of any differences between the German and the other languages of the Terms and Conditions of Purchase, the original German text shall prevail.
- 12.4 Should one or more of these provisions or any further agreements reached be wholly or partially invalid or unenforceable or lose their legal validity or enforceability at a later date, the validity of the remaining provisions shall not be affected by this. The ineffective provision shall then be filled in by the contracting parties in such a way that it comes as close as possible to the meaning of the ineffective provision.