

GENERAL TERMS OF QUOTATION AND DELIVERY

For Machines, Equipment, Replacement Parts and Work performed at Customer's Site
of Resistronic Ltd., CH-5415 Untersiggenthal

General

The following terms are valid as an integral part of the contract, provided that no diverging agreements have been made in written form. All agreements must be made in writing in order to be valid.

Provided that there are no discrepancies arising from the terms as listed in the following, the General Terms of Delivery for Machines and Replacement Parts of the Swiss Association of Machinery Manufacturers (Verein Schweizerischer Maschinen-Industrieller = VSM), will in addition be in force under the terms of the edition valid at the date when the contract is concluded.

The invalidity of some articles of the General Terms of Quotation and Delivery does not cause all of the articles to be invalid.

Quotations

Our quotations are without engagement in every respect. The contract will become binding only with our confirmation of the order.

Documents and Drawings

These remain our property and may not be made accessible to third persons without our written consent, especially not to competitors. In the event of a breach of this obligation, any recourse will be dealt with according to the copyright and a compensation for damages may be claimed.

Confidentiality, Rights

Trade and company secrets as acquired by Resistronic Ltd. during the course of its activities must neither be made accessible to third parties, handed over to them nor used by them, just as the documents made available by the purchaser.

The purchaser assures Resistronic Ltd. to hold all required rights over the documents available to Resistronic Ltd. (particularly with regard to patent rights, copyrights, protection of pattern and design). If any claims resulting from liabilities for violating the law voiced by third parties towards Resistronic Ltd. should exist, the customer will agree to compensate Resistronic Ltd. to the full extent and to carry on any lawsuits in his own name or in the name of Resistronic Ltd. on his own account.

Prices

If not agreed on otherwise, these are ex works excluding VAT and refer to the scope of delivery according to the contract. If not specifically mentioned in the scope of delivery, all additional costs, especially those for packaging, shipping, customs duties, insurance, bank service charges, VAT etc. are at the expense of the purchaser.

In case of long-term orders (>6 months) we reserve the right, as mutually agreed on, to adjust the prices if changes of the costs for material (alloy surcharges), distinctive currency fluctuations or other import/export costs should be apparent.

These risks are normally agreed on by contract with a sliding-scale price formula.

Payment

In case of orders <CHF 50'000.-, 100% of the price agreed on must be paid strictly net within 30 days past the billing date.

On agreement of an acceptance procedure and/or commissioning on customer works 90% strictly net within 30 days after the date of delivery and issue of invoice, 10% strictly net within 30 days after the date of acceptance procedure, latest 60 days after the date of delivery.

In case of orders higher than >CHF 50'000.-, payments are due as follows:

- 30% of the price agreed on within 15 days after the confirmation of order has been received, respectively within 30 days after the signature of the contract.
- 70% strictly net within 30 days after the date of delivery and issue of invoice.

On agreement of an acceptance procedure and/or commissioning on customer works 60% strictly net within 30 days after the date of delivery and issue of invoice, 10% strictly net within 30 days after the date of acceptance procedure, latest 60 days after the date of delivery.

Payment must be made in disposable CHF or EUR onto the account as indicated on the invoice.

On agreement, an irrevocable confirmed letter of credit at a first class bank covering the remaining 70% of the contractual price for the order may be opened together with the bank designated by us. The letter of credit must be opened within 15 days after the confirmation of order has been received, respectively within 30 days after the signature of the contract. The letter of credit will remain to be valid for 30 days after the last payment agreed on.

Scheduled Delivery Date and further Terms of Delivery

The scheduled delivery date starts after the order has been received, respectively after the order has been confirmed by the customer (requirements specification, terms of delivery), respectively after the letter of credit as agreed on has been opened.

Resistronic Ltd. also reserves the right to postpone the delivery date due to special agreement,

- if the terms of payment are not observed;
- if events should take place without our wilful intent, having a negative influence on the orderly continuation of the work for carrying out the order at our site or at the site of our supplier;
- if the information required for proceeding the work on the contract does not arrive in time or is changed afterwards.

The relevant paragraphs of the General Terms of Delivery of the VSM are furthermore valid.

Delivery

Each order is transacted according to the quality assurance system ISO 9001 and is handled accordingly for delivery.

On agreement of an acceptance procedure at our works and/or commissioning inspection plans, acceptance certificates etc. are issued and supplied according to the contractual agreements.

The tools, work pieces and devices required for the acceptance – it they are not specified in the confirmation of order – must be made available at no cost by the purchaser.

If the purchaser should not be present during the acceptance procedures, the acceptance certificate will be sent to him together with the equipment.

When no acceptance procedure is agreed, the delivery will occur directly after the final control.

Risk and use of the equipment will be transferred to the purchaser with the acceptance procedure respectively with the delivery.

Warranty

The warranty period for standard equipment and for customer's work start with the day of delivery, comprising only the scope of supply by Resistronic Ltd., and is limited to 12 months or to 6 months with multi-shift operation.

Special machines or devices are prototypes, designed and manufactured on the basis of a mutually agreed on requirements specification. The machine respectively the device may only then correspond with the needs of the customer, if the latter has formulated his requirements precisely before the design has been started. All verbal modifications of the requirements specification must meet the written approval of Resistronic Ltd., otherwise they will not be valid.

The warranty period starts with the day of the final acceptance (date of the acceptance certificate), but 60 days upon delivery at the latest, and is limited to 12 months or to 6 months with multi-shift operation. In case of outside warranty work, travel time and travel expenses will be charged to the purchaser, but cost for work time and material to Resistronic Ltd. In case of warranty and repair work on devices and equipment, the shipping costs and the incidental costs for shipping will be charged to the purchaser.

If some of the performance specifications should not be met straight away, Resistronic Ltd. will commit itself to attain these performance specifications. The additional expenses occurring after delivery, however, may be charged extra, if Resistronic Ltd. should not be at fault.

Delivery guarantee for spare parts after the production end of the device consists of a maximum of 10 years

The relevant paragraphs of the General Terms of Delivery for Machines and Replacement Parts of the VSM are furthermore valid in order to specify the warranty for liability and faults.

Regulations valid on Site

The purchaser must advise Resistronic Ltd. with respect to legal, governmental and other regulations having an influence on the manufacturing, assembly and operation of the equipment, as well as for the maintenance of health and safety at work.

Place of Fulfilment, Applicable Law and Jurisdiction

Both parties agree in case of a differences, to first look for a solution by means of an open discussion.

The place of fulfilment is CH-5415 Untersiggenthal.

The legal relations of the parties are governed by the Swiss Law.

The jurisdiction for any differences arising from or in connection to the contract is the Handelsgericht Aarau (Commercial Court Aarau). Any transferral to the Federal Court is reserved.

Deviating General Business Terms of the contractual partner will only then be valid, if they are recognized by Resistronic Ltd. in writing.