

General Terms and Conditions of Purchase of Gautschi Engineering GmbH (hereinafter referred to as the "Buyer")

I. General – Scope of Application

1. These Standard Terms and Conditions of Purchasing shall govern exclusively. Provisions that conflict with or deviate from the Supplier's purchasing terms shall not be acknowledged unless the Buyer has expressly agreed in writing to such provisions. These Standard Terms and Conditions shall also apply if the Buyer is aware of conflicting or deviating terms and conditions of the Supplier and accepts the Supplier's delivery without reservations.
2. These Standard Terms and Conditions of Purchasing shall also apply to all future orders, without any additional special agreement.
3. All agreements made between the Buyer and the Supplier shall be memorialized in writing in the contract entered into in accordance with these Standard Terms and Conditions of purchasing. Any verbal ancillary agreements shall be invalid.
4. The Supplier is informed that data collected in connection with the contract entered into in accordance with these Standard Terms and Conditions of Purchasing will be stored and processed.
5. The supplier shall be the exclusive contract partner. The assignment of contractual duties to third parties shall be permissible only with the Buyer's prior written consent.

II. Offer - Offer Documents - Conclusion of Agreement

1. The preparation of an offer shall generally be based on these Standard Terms and Conditions of Purchasing. The offer shall be freely revocable and the bidder shall bear the costs. In the offer, the bidder shall adhere precisely to the quantity and quality stated in the inquiry and shall expressly refer any deviation therefrom.
2. All orders shall be made in writing. Orders shall be made exclusively on the basis of these Standard Terms and Conditions of Purchasing.
3. The Supplier shall accept the order within two weeks by sending back the signed copy.

III. Prices – Terms of Payment

1. The prices set forth in the order shall be binding.
2. Invoices shall be sent to the Buyer in duplicate (original and one copy) following shipment setting forth reference number and order number.
3. Invoices may be processed only if the order number, reference number and order date set forth in the order are stated. The Supplier shall be held liable for all consequences arising from non-compliance with this obligation unless the Supplier provides proof that it is not responsible for such consequences.
4. The Buyer shall have rights of set-off and retention to the extent permitted by law.

IV. Delivery and Transfer of Title

1. Contractually stipulated delivery dates and deadlines shall be binding. Receipt of the delivered item at the place of delivery set forth in the order shall govern.

2. The Supplier shall immediately inform the Buyer in writing in the event circumstances arise or it becomes aware of circumstances that could result in non-compliance with a stipulated delivery date. In addition to stating the reasons for the delay in delivery, the Supplier shall also state in writing the expected duration of such delay.

3. The Supplier shall provide the exact order number, reference number and order date on all shipping documents. Should the Supplier fail to do so, the Buyer shall not be held liable for delays in processing.

4. In the event of a delay in delivery for which the Supplier is responsible, the Buyer may demand a penalty of 1.0% for each completed week but no more than 10.0% of the total delivery volume. Additional statutory claims (revocation or compensatory damages for non-performance) shall remain unaffected thereby. The Supplier may provide proof to the Buyer that no or significantly lower damages arose as a result of the delay.

5. Direct title in the delivery item shall pass to the Buyer at the moment of delivery.

6. Until full surrender of the delivery item, the Supplier shall bear the risk of loss, accidental loss or damage.

V. Warranty

1. The warranty period shall be 24 months. Such period shall commence upon receipt of the delivery item at the place of delivery stipulated in the order. With regard to substitute deliveries of defect correction, the warranty period begins anew for parts affected by the correction of defects.

2. With regard to delivered parts which could not remain in operation during the examination of the defect and/or correction of the defect, the current warranty period shall be extended by the period for operation ceased.

3. The Buyer shall inspect the delivery item within ten days following receipt by the Supplier at the place of delivery stipulated in the order, provided that such inspection is expedient according to the ordinary course of business and should a defect be found, the Buyer shall inform the Supplier in writing within such period. Should the defect not have been ascertainable during inspection, the Supplier shall be informed within ten days following the discovery thereof.

4. The period of limitations for warranty claims shall begin to run upon the reporting of defects, provided that the relevant defects are reported within the agreed warranty period.

5. The Buyer shall be entitled to full statutory warranty claims. Should a defect arise for which the Supplier is responsible, the Buyer may, at its choice, demand correction of the defect or substitute delivery. All costs necessary for the purpose of correction of the defect or substitute delivery, in particular transportation, travel, work and material costs, shall be borne by the Supplier.

6. In the event of the Supplier failing to comply with the request for removal of a defect within an appropriate period set by the Purchaser, or in the event of the removal of a defect failing, despite sufficient opportunity for repair, the Purchaser shall be entitled to carry out the removal of the defects himself, or to have it removed by a third party, at the expense of the Supplier.

The same shall apply if the removal of a defect is delayed unreasonably or if doubts exist regarding the chances of success. There is no requirement for a request to remove a defect, prior to

the substitute work of the Purchaser at the expense of the Supplier, if there is a need for particular urgency or in the event of imminent danger.

7. The Purchaser shall be entitled to claims for compensation for damages, incurred outside of the delivered item as a result of a defect to the delivered item, in the statutory scope, if the Supplier is responsible for intentional or grossly negligent conduct or for a culpable violation of a fundamental contractual obligation. Claims for compensation for damages are likewise not excluded even if and so far as the Supplier has cover within the scope of the third-party liability or product liability insurance taken out by him. Apart from the foregoing, claims for compensation for damages are excluded.

The right to compensatory damages for non-performance is expressly reserved.

6. In the event that the Supplier does not comply with a demand for defect correction within a reasonable period as set by the Buyer or should the defect correction be unsuccessful despite sufficient opportunity to remedy the defect, the Buyer may, at the Supplier's expense, correct the defect itself or cause a third party to do so. The same rule shall apply if the defect correction prior to the Buyer's substitute performance at the Supplier's cost shall not be necessary in the event of urgency or imminent danger.

7. In the event the Supplier acted intentionally or negligently or culpably breached a material contractual duty, the Buyer shall be entitled to statutory compensation for damage caused by defects in the delivered item not connected with delivery. Compensatory damages claims shall not be barred even if and to the extent the Supplier is covered by a liability insurance of product-liability insurance policy taken out by it. Compensatory damage claims shall be barred in all other cases.

VI Product Liability

1. To the extent the Supplier is responsible for a product defect; the Supplier shall indemnify the Buyer against third party compensatory damages claims at the Buyer's first demand to the extent to which the cause falls within the Supplier's area of control and organization.

2. Within this context, the Supplier shall also reimburse any expenses arising from or in connection with a recall operation conducted by the Buyer. The Buyer shall inform the Supplier, to the extent possible and reasonable, of the nature and scope of any recall operation to be conducted and shall allow the Supplier the opportunity to express its opinion.

3. The Supplier agrees to maintain a product-liability insurance policy with a blanket coverage of CHF 5 million per personal injury/property damage event. In the event that the Buyer is entitled to further compensatory damage claims, such claims shall remain unaffected thereby.

VII Industrial Property Rights

1. The Supplier warrants that in connection with its delivery and in the event of use of the delivered item in accordance with the agreement, there will be no infringement of third party rights, trademark rights within the territory of the European Union and Switzerland, or other third party industrial property rights and industrial property rights applications within the Federal Republic of Germany, Switzerland or in the country in which the delivered items is to be used according to the contractual provisions.

2. The Supplier shall, at the first written demand, indemnify the Buyer and its purchasers against all third party claims that arise from the use of such industrial property rights.

3. The Supplier's duty to indemnify shall include all expenses that necessarily arise from or in connection with third party claims.

4. The contracting parties shall immediately inform the other party of risks of infringement which become known and of alleged cases

of infringement, and shall provide the other party with the opportunity to counteract the respective claims by mutual agreement.

VIII Confidentiality

1. The Buyer shall retain exclusive title in all plans, documents, copies, drawings, calculations and any other documents of the Buyer which refer to industrial and commercial know-how.

2. Such documents shall be utilized solely for the purpose of processing the order; the documents shall be returned unsolicited following the processing of the order. Any right of retention shall be excluded.

3. Such documents shall be kept strictly confidential vis-à-vis third parties, unless dissemination thereof has not been approved in writing by the Buyer as an exception.

The duty of confidentiality shall remain even after the conclusion of the agreement as entered into in accordance with these Standard Terms and Conditions of Purchasing. The duty of confidentiality shall expire if and to the extent the knowledge contained in the delivered copies, drawings, calculations and all other documents has become part of the public domain without a breach of contract by the Supplier being the cause thereof.

4. The supplier shall appropriately cause its personnel as well as third parties to whom the Supplier has assigned the fulfilment of contractual duties with the Buyer's approval to keep confidential the documents listed in paragraphs 1-3 during and following the conclusion of the agreement as entered in accordance with these Standard Terms and Conditions of Purchasing.

5. The Buyer also agrees to keep strictly confidential copies, drawings, calculations and all other documents of the Supplier vis-à-vis third parties, unless disclosure to third parties is necessary within the context of the delivered item's resale.

IX Assignment

The Supplier may not assign, pledge or have third parties collect its claims against the Buyer without the Buyer's prior consent. This shall not apply to the advance assignment of purchase price claims within the context of an extended retention of title customary within the industry.

X Choice of Law/Place of Performance/Forum

1. The laws of Switzerland shall exclusively govern any and all disputes in connection with the conclusion of interpretation of the agreement entered into in accordance with these Standard Terms and Conditions of Purchasing, concerning its formation of any other disputes arising from the contractual relationship. UN laws on the sale of goods shall not apply.

2. Unless the parties agree otherwise in writing, place of performance shall be the Buyer's registered office. 3. Should one or more of the provisions of these Standard Terms and Conditions of Purchasing be invalid or void, the validity of the remaining provisions shall remain unaffected thereby. The contracting parties agree to immediately agree to a provision that most closely reflects or approximates the commercial intent of the invalid provision.

4. Forum shall be the Buyer's registered office. The Buyer may also sue the Supplier at its domicile and place of business.