

STANDARD PURCHASING TERMS (Edition 04/2009)
Renk-Maag GmbH, 8404 Winterthur (Switzerland)
(hereinafter called „RM“)

1 Conclusion of contract

- 1.1 These Standard Purchasing Terms apply to all goods and services ordered by RM and provided by the supplier. The supplier's terms shall only take precedence over these Standard Purchasing Terms if they have been expressly approved by RM in writing.
- 1.2 If the parties accept INCOTERMS, the 2000 edition shall apply.
- 1.3 Only written orders incl. Fax, are legally effective.
- 1.4 RM must be advised immediately of any technical or commercial change from previous deliveries or specifications on the part of the supplier. Such amendments shall entitle RM to cancel the order concerned.
- 1.5 Only the documentation (e.g., drawings, specifications, procedures, etc.) stipulated in the particular order and the respective amendments, if any, are binding for the order execution.
- 1.6 Subject to any other agreement, all deliveries to RM shall conform with Swiss safety regulations.
- 1.7 RM reserves the right to demand a manufacturer's certificate or attestation of conformity pursuant to the applicable EU directives, at no cost to RM.

2 Prices

- 2.1 Prices shall always be firm fixed prices inclusive packaging. If a price estimate is stipulated in a purchase order a deviation of „+“ 10% will be considered, provided that the supplier will be able to justify and substantiate the price increase.

3 Delivery dates

- 3.1 The delivery periods shall start from the date of the written order. All delivery dates are fixed dates. Any change to the delivery date requires the written consent of RM.

4 RM furnished material, tools, and documentation

- 4.1 Material, drawings, and tools as well as all related documentation, in any form whatsoever, provided by RM to the supplier or for which has paid, wholly or in part, remain the sole property of RM and shall be returned upon first request by RM.
- 4.2 The RM furnished material, tools, and documentation shall be solely used for RM purchase orders.
- 4.3 RM retains the copyright to all documentation supplied to the supplier. In particular the supplier is not entitled to copy the documents, reproduce them or in any way divulge them to third parties, with the exception of sub-contractors pursuant to paragraph 5.
- 4.4 The supplier must store the furnished material, tools, and documentation appropriately and at no charge to RM, keep them in good order and insure them against all loss including theft.
- 4.5 Repairs, rework and modifications to RM furnished material, and tools, shall only be executed with the written consent of RM. The costs related to such work are to be absorbed by the supplier.

5 Sub-contractors

- 5.1 Any kind of subcontracting requires the explicit consent of RM.
- 5.2 The supplier bears the same liability for its sub-contractor as for itself.
- 5.3 The supplier shall make sure that the sub-contractor is bound by the same confidentiality as the one applying for itself.

6 Delivery and dispatch

- 6.1 Delivery shall be made by the most cost-effective and environment-friendly method. The supplier shall ensure that appropriate and environment-friendly packaging is used.
- 6.2 The terms for transporting the goods, obtaining the necessary licences, dealing with all the necessary formalities and bearing the costs associated therewith shall comply with INCOTERMS. If the parties do not accept INCOTERMS, these obligations shall be incumbent upon the supplier until the goods have been delivered to its destination.
- 6.3 If the supplier is responsible for the dispatch of the goods, he shall, in the lack of any agreement insure the goods appropriately.
- 6.4 If, in order to comply with the delivery date, a non-agreed freight forwarder or a method of despatch other than the most cost-effective or that proposed by RM has to be selected, the additional costs shall be borne by the supplier (e.g. courier service).
- 6.5 A detailed delivery note is to be enclosed with each consignment. It must contain the order number, items ordered, article description and number, delivery quantity, weight and order number (if available). Partial consignments and final consignments are to be labelled as such.

7 Transfer of title and risk

- 7.1 The transfer title and risk of loss or damage to a consignment shall conform with INCOTERMS. If INCOTERMS have not been accepted, the transfer of title and risk shall pass to RM upon delivery of the goods at its destination.

8 Warranty

- 8.1 The supplier warrants the defect-free quality of the goods including packaging.
- 8.2 The supplier shall be liable for ensuring that the delivery and the use of the goods by RM does not infringe upon any material rights or other rights (including industrial property rights) of third parties.
- 8.3 The warranty period shall be 24 months from the time of delivery to RM, or to the agreed destination. In the event of replacement delivery and in the event of repair and rework the warranty period shall restart from the beginning.

9 Deviations and defects

9.1 Delayed delivery

If a fixed delivery date has been agreed, no reminder shall be issued before the supplier is deemed to be in default. If the supplier is late, it shall be liable for any loss and additional expenses including damages for delay, even if it is not its fault. RM may, without granting any extension period, choose between late delivery and refusal to accept late delivery, with full compensation in either case.

9.2 Early delivery

Early deliveries are not permitted. If RM accepts the delivery, the payment periods shall be calculated from the agreed delivery dates. Furthermore, RM reserves the right to invoice the supplier for storage costs incurred.

9.3 Quantity deviations

Incorrect quantities shall constitute delayed delivery by the supplier and shall entitle RM to cancel the contract with the right to claim full compensation. Excess deliveries may be returned by RM or stored at the expense of the supplier.

9.4 Notification of defects

Defects may be notified by RM at any time throughout the entire term of the warranty.

9.5 Warranty claims of RM

The supplier shall be liable for all defects in quality and title, for warranted properties and for consequential damages arising from defects. "Warranted" properties shall in particular be those specified in the order and the binding documentation of RM or properties listed in the general specifications of the supplier.

In addition to compensation, RM may demand cancellation, price reduction and in particular replacement of the defective delivery. The costs related to replacement deliveries are to be absorbed by the supplier. Repair and rework may also be required by the supplier. Repair or rework executed by RM will be at the expense of the supplier.

10 Contractual penalties

10.1 Insofar as a contractual penalty has been agreed for individual deliveries, this shall be payable for each individual breach of contract. RM reserves the right to enforce further claims in all cases.

11 Payment terms

11.1 In the absence of any contrary agreement, payment shall be made 30 days 3% discount, 45 days 2 % discount 90 days net after receipt of the delivery in full of the goods/service and the corresponding documentation.

12 Disposal

12.1 The supplier guarantees that the goods supplied, including packaging materials, are not harmful to the environment and can be disposed of without special precautions or protective measures. If the goods or the packaging material contain substances which are harmful to the environment, the supplier shall advise RM of this in writing prior to delivery, otherwise it shall be obliged to take the supplied materials back for disposal at its own expense.

13 Place of performance

13.1 Place of performance shall be the destination. Unless the parties have reached another agreement, the destination shall be RM, receiving area, Winterthur.

14 Product liability

14.1 The supplier hereby expressly indemnifies RM fully from all claims of third parties raised against RM on the grounds of product liability in connection with the goods or services provided by the supplier, and shall compensate RM for all loss arising therefrom. RM agrees to advise the supplier immediately upon receiving notice of the enforcement of such claims.

14.2 RM shall be entitled to enforce its claims against the supplier arising from relevant product liability laws even after the expiry of any deadlines. The supplier hereby explicitly waives the right to raise the plea of limitation against RM.

15 Data protection

15.1 The supplier hereby expressly grants RM permission to disclose personal data to third parties (e.g. supplier factories, sub-contractors, freight forwarder and credit companies) in Switzerland or abroad for the purpose of dealing with and maintaining business relations. The supplier shall ensure data security through appropriate technical and organisational measures.

16 Applicable law

16.1 Swiss law shall apply exclusively. The United Nations (UNCITRAL) Convention on Contracts for the International Sale of Goods signed at Vienna on April 11, 1980 shall not apply.

17 Place of litigation

17.1 **Place of litigation shall be 8404 Winterthur.** RM reserves the right also to enforce its rights at the domicile of the supplier or before any other authorized court.

In the case of litigation the German version of the STANDARD PURCHASING TERMS shall prevail.