

1. Scope of application

These terms and conditions of purchase shall apply to the purchase by Stellba of the goods as specifically stated in Stellba's purchase order (PO) to the seller (Seller).

2. Delivery, Completion & Inspection

The Seller shall deliver the goods in accordance with the PO, at the time stated in the PO at Stellba's factory in Dottikon, or at the place specifically stated in the PO.

Packing and delivery shall be the responsibility of the Seller.

Any delay in delivery may result in the levying of liquidated damages on the Seller, as specifically set out in the PO. If no liquidated damages are stated in the PO, liquidated damages shall be assessed at one per cent (1%) per week or part thereof, of the PO price, the amount not exceeding ten per cent (10%) of the PO price.

Completion shall mean the conclusion of the goods manufactured, altered or in any way worked upon to the satisfaction of Stellba, including delivery.

Stellba shall be afforded the opportunity to inspect the work in progress at any time. Stellba shall (at its option) inspect the goods prior to shipment.

3. Payment

Payment shall be as stated in the PO.

Unless otherwise agreed in the PO, Stellba shall pay the full amount upon delivery of the goods at Stellba or other agreed upon place, and shall be made within thirty (30) days of receipt of the Seller's invoice by Stellba.

Stellba shall not be liable for payment of any taxes, expenses, fees, duties, levies and the like.

4. Title & Risk of loss

Title to the goods shall pass at time of completion of the work.

Risk shall pass from the Seller to Stellba upon official receipt of the goods at Stellba or other designated place.

5. Assignment

Neither party shall assign or sub-contract any part of the work without the written agreement of the other party.

6. Patent Indemnity

The Seller agrees to indemnify and hold Stellba harmless from any claim by a third party that any goods manufactured, amended or otherwise part of the PO, infringes any patent. Stellba shall notify the Seller promptly upon receipt of such claim. The Seller at its own expense shall either (a) settle or defend such claim or suit or proceeding arising therefrom and pay and all damages, costs and expenses arising therefrom or (b) procure for Stellba the right to use such disputed goods or (c) modify the goods so as to become conforming, or (d) replace the goods with non-infringing goods or (e) remove the infringing goods and repay the money paid it by Stellba.

7. Warranty

The Seller shall warrant the goods supplied under the PO against defects in design or material and workmanship for a period of twelve (12) months from delivery to Stellba.

For replaced or repaired parts, the warranty period starts anew and lasts twelve (12) months after replacement or completion of the repair, but not longer than twenty four (24) months from the beginning of the original warranty period.

Upon written request of Stellba, the Seller shall repair or replace as quickly as possible the affected parts or services, which before the end of the warranty period are proved to be defective due to bad material, faulty design or poor workmanship. The Seller shall bear the cost of remedying the defect.

Express warranties are only those which have been expressly specified as such in the PO.

If such repairs or replacements fail completely or in part so that use is not possible or considerably impaired, then Stellba may refuse acceptance of such parts and to terminate the PO. The Seller shall only be held liable for reimbursing the sums which have been paid to it for the parts affected by the termination.

Any latent defects (which are those discovered outside the warranty period) are hereby excluded.

8. Termination

If the performance of the PO becomes impossible or is severely impaired, or if the Seller is not performing in a timely manner and in accordance with the technical requirements, Stellba shall have the right to terminate the PO. Stellba shall have no further liability towards the Seller.

9. Limitation of Liability

Notwithstanding anything to the contrary, Seller's aggregate liability on all claims whether based on contract, warranty, tort (including negligence), strict liability or otherwise, for all losses or damages arising out of or in connection with this PO, shall not exceed the PO price.

In no event shall either party be liable for any direct, indirect, special, incidental or consequential damages.

10. Governing Law

The law governing this PO shall be that of Switzerland. Any dispute arising under the PO which cannot be resolved by the good faith negotiation of the parties shall be finally resolved by ICC arbitration in English, with three arbitrators, at Zurich or some other mutually agreeable forum, and any determination or award shall be set forth in writing and shall be final and binding.

Both the UN-Convention on International Sale of Goods (CISG;SR 0.221.211.1) and the Federal Act on International Private Law (IPRG;SR 291) are not applicable.

Should any provision hereunder be held invalid or unenforceable, such shall not affect any other provision hereof.