

General Conditions of Purchase

- 1. General**
 - 1.1 These General Conditions of Purchase shall be binding if declared applicable in the order. Any conditions stipulated by the supplier which are in contradiction to these general conditions shall only be valid if expressly accepted by elfo ag (elfo).
 - 1.2 All agreements and legally relevant declarations of the parties to the contract have to be in writing in order to be valid.
- 2. Offer**
 - 2.1 By inquiring, the supplier is expected to submit a quote free of charge. The supplier's offer has to go by elfo's requirements and goals and in case there are any differences, the supplier has to expressly inform elfo accordingly; the supplier accepts his duty of information. In case the supplier does not mention a deadline, his quote is binding for 180 days.
- 3. Orders**
 - 3.1 Orders shall be placed in writing and shall be binding. The supplier shall inform elfo about any objections to the order within 5 days in writing.
 - 3.2 By placing the order without stating prices or guiding prices, the prices mentioned in the order confirmation or corresponding invoice are subject to elfo's approval.
- 4. Prices**
 - 4.1 As long as there are no other agreements, the quoted prices are fixed prices. They include all additional costs, like packaging, transport, etc.
- 5. Documentation**

All material transferred to the supplier such as drawings, electronic data, design, samples etc. remain the property of elfo. Such material shall exclusively be used by the supplier to carry out orders of elfo. The supplier shall use its best efforts to protect the interests of elfo. Without prior written acceptance of elfo, such material must neither be handed over to third parties nor used for own purposes or purposes of third parties by the supplier.
- 6. Delivery**
 - 6.1 Quality and material according to the order shall be binding to the supplier.
 - 6.2 elfo will not accept any deliveries which were short shipped, or over shipped by more than 5%.
- 7. Terms of delivery / delay in delivery**
 - 7.1 The terms of delivery are meant as date of arrival at the premises of elfo.
 - 7.2 elfo ag shall be entitled to claim liquidated damages for delayed delivery provided that the delay has been caused by a fault of the supplier and that elfo ag has suffered a loss as a result of such delay. If substitute material can be supplied to accommodate elfo, the latter is not entitled to any damages for delay.
 - 7.3 Damages for delayed delivery shall not exceed ½ % of the part of supply in delay for every full week's delay and shall not exceed 5 % of the contract price of the part of the supplies in delay.
 - 7.4 Paying the liquidated damages does not discharge the supplier from its duty to perform the delivery.
 - 7.5 elfo has to be informed in advance about a delay in delivery.
- 8. Delivery, freight and insurance**
 - 8.1 The products will be packed by the supplier. The supplier shall be liable for any damages caused by unsuitable packing. Packing charged to elfo will be returned against corresponding refund.
 - 8.2 Special requirements regarding forwarding and insurance shall be communicated to the supplier in time. Transport shall be at the supplier's expense and risk.
 - 8.3 Each delivery must include a delivery note indicating our order no., our item no., the description of the goods and the exact quantity.
- 9. Invoicing**
 - 9.1 The supplier shall state the order number, the detailed product specification, the part-number, customs tariff number and the origin of the product as well as the used material on all order confirmations, delivery notes, invoices and other documents.
 - 9.2 Invoices shall be sent to elfo within 8 days after shipping the products.
- 10. Payment**
 - 10.1 Payments will be made within 60 days after receiving the invoice. Other terms of payment have to be fixed by a writing duly executed by the parties.
 - 10.2 Legal domicile for payments shall be the domicile of the supplier.
- 11. Warranty and Disclaimer**
 - 11.1 The supplier shall warrant that the products delivered by him will be free from defects in material and workmanship.
 - 11.2 The supplier shall warrant the back tracking of the delivered goods.
 - 11.3 In case delivered products are defective, elfo may request a compensation delivery or elimination of defect by the supplier during the warranty period of two years beginning on the date of delivering the products.
 - 11.4 If a defect according to article 11.3 is not eliminated or compensated by the supplier within a reasonable period, elfo may ask for price reduction or annulment of the contract.
 - 11.5 Excluded from supplier's warranty and liability for defects are all deficiencies which cannot be proved to have their origin in bad material, faulty design, poor workmanship or resulting from other reasons beyond supplier's control.
 - 11.6 Should people be injured, property of third parties be damaged or further harm evolve from a supplier's actions or neglect thereof and elfo be held to account, elfo shall have a right of recourse to the supplier.
 - 11.7 The supplier will be responsible for compliance with any applicable statutory obligation, specifically, but not limited to, all security and/or environment relevant directions. In particular, the supplier shall guarantee compliance with EU directive RoHS 2002/95/EG with regard to the prohibition of the mentioned substances and any corresponding regulations. The supplier shall have to submit a declaration of conformity when required by elfo.
- 12. Governing law**

The present contract shall be governed in all respects by Swiss law.
- 13. Jurisdiction**

The place of jurisdiction for any disputes shall be at the registered domicile of elfo.