



General Conditions of Sale and Delivery

- 1. General**
 - 1.1 These General Conditions of Sales and Delivery shall be binding if declared applicable in the offer or order confirmation. Any conditions stipulated by the customer which are in contradiction to these general conditions shall only be valid if expressly accepted by the supplier in writing.
 - 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. Offers and conclusion of contract**

Our offers are, unless stated differently in the offer, restricted to three months. Drawings, samples, prototypes and processes elaborated by us remain our intellectual property and it is prohibited to duplicate them or to make them available to third parties. They have to be treated confidentially, the same as our quotations. In case a corresponding order fails to materialize, we are entitled to demand these documents, prototypes, etc. back.
- 3. Order Acceptance**

Orders can only be regarded as accepted if a written confirmation was issued by elfo ag.
- 4. Scope of Supplies**
 - 4.1 The supplies are specified in the order confirmation. Any material and services which are not included therein shall be additionally charged.
 - 4.2 The supplier shall be entitled to make any changes which lead to improvements.
- 5. Regulations in force in the country of destination**

The customer shall inform the supplier, upon placing the order at the latest, about the standards and regulations applicable to the execution of the supplies and services, to the operation of the plant as well as to the health and safety of personnel.
- 6. Prices**

Unless otherwise agreed upon, all prices shall be deemed to be net ex works, no duty paid, in Swiss Francs and shall not include any packing, freight, insurance, taxes, and duties.
- 7. Tools**
 - 7.1 Shares of tooling costs are to be paid upon approval of samples, at the latest 2 months after delivery of samples out of the serial tool, within 30 days, net. After payment of a share, tools remain the property of the supplier. The supplier has the right to destroy tools five years after the last delivery and after arrangement with the customer.
 - 7.2 Normal maintenance of the tools is included in the share of tooling costs. Tooling replacements are chargeable to the customer.
- 8. Terms of Payment**
 - 8.1 Payments by customers domiciled in Switzerland shall be made within 30 days net. For supplies to foreign countries, payment shall be made by irrevocable letter of credit confirmed by a reputed Swiss Bank, unless otherwise agreed upon.
 - 8.2 Payments shall be made by the customer to the registered address of the supplier without any deducting for cash discount, expenses, taxes or duties of any kind. Other terms of payment may be agreed separately.
 - 8.3 In case of delay in payment the supplier is entitled to discontinue planned deliveries and to charge a default interest of 6 % p.a..
- 9. Proprietary Right**
 - 9.1 The supplier shall retain ownership of the products supplied until full payment has been received. The customer shall take all necessary measures for the protection of the proprietary rights of the supplier.
 - 9.2 The supplier is entitled, with customer's participation, to apply for registration of the reservation of the proprietary right.
- 10. Delivery time**
 - 10.1 The delivery time shall start as soon as the contract has been entered into and all technical points have been settled.
 - 10.2 The delivery time shall be reasonably extended:
 - if the information required by the supplier for performance of the contract is not received in time, or if the customer subsequently changes it;
 - if agreed terms of payment are not met, letters of credit are opened to late, or the necessary import licenses are not received by the supplier in time;
 - if hindrances occur which the supplier cannot prevent despite using the required care, regardless whether they affect the supplier or the customer or a third party. Such hindrances include, but shall not be limited to, epidemics, mobilisation, war, revolution, serious breakdown in the works, accidents, labour conflicts, late or deficient delivery by subcontractors of raw material, semifinished or finished products, the need to scrap important work pieces, official actions or omissions by any state authorities or public bodies, natural catastrophes, acts of God.
- 11. Forwarding, Transport and insurance**
 - 11.1 Special requirements regarding forwarding and insurance shall be communicated to the supplier in good time. Complaints in respect of transport shall be submitted immediately by the customer to the last carrier on receipt of the products or the shipping documents.
 - 11.2 Insurance against risks of any kind is the responsibility of the customer. Even when taken out by the supplier, it shall be at the customer's expense.
- 12. Borrowed packaging**

Borrowed packaging has to be returned to elfo ag right after emptying. The costs for returning them as well as for damages occurring during transportation have to be paid by the customer. In case the borrowed packaging is not being returned, elfo ag is entitled to charge them to the customer's invoice.
- 13. Inspection and taking-over of the supplies**

The customer shall inspect the supplied products within 10 days after having received them and shall immediately notify the supplier in writing of any deficiencies, which means weights or number of pieces giving cause for complaint as well as a notice of defects regarding the nature of the products are only valid if given to the supplier in writing within 10 days of receipt of the products; for hidden defects, in writing within 10 days of their detection and within the guarantee period.

If the customer fails in doing so, the products shall be deemed to have been taken over.



14. Guarantee and liability

In case of a justified complaint or notice of defects, the liability of the supplier is limited to a free replacement respectively repair of the timely reworked product with a guarantee period of six months upon the delivery leaving the production plant. Products which have been replaced by a faultless delivery pass into the property of the supplier.

Furthermore, the client has no claims whatsoever towards the supplier especially with regards to a continuous right of conversion, reduction or replacement of the damage originating from the defective delivery. Particularly excluded are all claims by the client regarding replacements of direct, indirect and after effected defects (including any missed orders, takings or winnings, costs for the rescission of the products, interruption of business, third party claims) as well as all other costs, that occur for the client and originate from a defective delivery.

A complaint or notice of defects doesn't justify the client's right of a return of the payment for the delivery concerned.

15. Delivery stop

In case, in spite of reminders, the customer doesn't pay an invoice, elfo ag is entitled to stop any further deliveries to this customer with the reservation that earlier claims will still have to be satisfied.

16. Cancellation

In case the customer cancels a contract before the products have been produced, he is committed to paying the following cancellation costs:

- over 90 days prior to the planned delivery date: 10% of the contract price, plus the costs for the customer related devices and installations
- 90 to 61 days prior to the planned delivery date: 15% of the contract price, plus the costs for the customer related devices and installations
- 60 to 30 days prior to the planned delivery date: 20% of the contract price, plus the costs for the customer related devices and installations
- less than 30 days prior to the planned delivery date: 40% of the contract price, plus the costs for the customer related devices and installations

17. Governing law and jurisdiction

17.1 The sole place of jurisdiction for any disputes shall be at Sarnen/OW, Switzerland.

17.2 All facts of the case between elfo ag and the customer shall be governed in all respects by Swiss law (especially the Swiss law of obligations).

18. Priority of the German Version

The general conditions of sales and delivery of elfo ag are written in German, English and French. In case of contradictions the text of the German version of the general conditions of sales and delivery has priority.