

- 1. Definitions**
 - 1.1. **Agreement** has the meaning set forth in Section 2.3.
 - 1.2. **Buyer** means Hapa AG and any of its direct or indirect subsidiary companies and affiliates which issued a Purchase Order. Buyer is also hereinafter referred to as a **Party**.
 - 1.3. **Confidential Information** has the meaning set forth in Section 10.1.
 - 1.4. **Force Majeure Events** has the meaning set forth in Section 11.1.
 - 1.5. **Intellectual Property Rights** means all industrial and other intellectual property rights comprising or relating to: a) patents; b) trademarks; c) internet domains; d) designs; e) software; f) trade secrets, g) copyrights and h) know-how.
 - 1.6. **Offer** means Supplier's offer issued to Buyer hereunder.
 - 1.7. **Parties** means collectively Buyer and Supplier.
 - 1.8. **Products** means movables that the Supplier manufactures and/or delivers for the Buyer on the basis of a Purchase Order.
 - 1.9. **Purchase Order** has the meaning set forth in Section 2.2.
 - 1.10. **Supplier** means the other contracting party that is identified on the Purchase Order and manufactures, sells or delivers the Products identified in the Purchase Order.
 - 1.11. **T&C's** means these General Terms and Conditions for the Purchase of Products.
- 2. Conclusion of Contract**
 - 2.1. These T&C's are the only terms governing the purchase of Products by Buyer from Supplier based on a Purchase Order. Deviating or additional terms of the Supplier, in particular, general terms of delivery of the Supplier, are excluded, unless the Buyer expressly accepts them in writing.
 - 2.2. The Offer constitutes a proposal by the Supplier to sell Products to Buyer. The Offer shall only be deemed accepted when Buyer issues the written acceptance of the Offer (the "**Purchase Order**").
 - 2.3. The Purchase Order and these T&C's (collectively the "**Agreement**") represent the entire Agreement.
- 3. Price and payment**
 - 3.1. Unless otherwise agreed between the Parties, the prices in the Purchase Order shall be understood to be fixed prices and include, all sales and/or use taxes, other similar taxes, duties and charges of any kind and any additional costs incurred by the Supplier, including but not limited to inspection costs or certification costs ("**Purchase Price**").
 - 3.2. No increase of the Purchase Prices is effective, whether due to increased material, labor or transportation costs or otherwise, without the prior written consent of the Buyer.
 - 3.3. Supplier shall issue an invoice to Buyer on or within a reasonable time after delivery. Unless otherwise agreed in the Purchase Order, Buyer shall pay all properly invoiced amounts within [90] days after Buyer's receipt of such invoice.
- 4. Delivery, default in delivery, title and risk**
 - 4.1. Unless otherwise agreed in the Purchase Order, the place of fulfillment is the address of the Buyer, as indicated in the Purchase Order, and transportation is subject to the Incoterms 2010 DDP address of the Buyer.
 - 4.2. Supplier acknowledges that time is of the essence with respect to Supplier's obligation hereunder and the timely delivery of the Products, including all performance dates, timetables and other requirements in the Purchase Order. Therefore, no additional warning is required in order for the Supplier to be deemed in default of performance.
 - 4.3. In the event of default of delivery by the Supplier, Supplier shall pay to Buyer a liquidated damage in the amount of 0.5% of the net order value per week of default or fraction thereof, up to a maximum of 5% of the net order value. In addition to the liquidated damage, Buyer may exercise statutory and other contractual rights, including but not limited the termination of the Agreement pursuant Section 12.1.
 - 4.4. Title to Products shipped under any Purchase Order passes to Buyer upon delivery of the Products at the place of delivery specified in the Purchase Order. Risk of loss to Products shipped under any Purchase Order passes to Buyer in accordance to the agreed Incoterms 2010.
- 5. Warranty**
 - 5.1. Supplier warrants to Buyer that each Product will: a) be free from any defects in workmanship, material and design; b) conform to the specifications, drawings, designs, samples and other requirements specified in the Purchase Order; and c) be fit for its intended purpose and operate as intended ("**Product Warranty**").
 - 5.2. The Product Warranty does not apply to any Product that has been used contrary to any written instructions issued by Supplier or has been reconstructed or repaired by any persons or entities other than Supplier. The assembly with, installation or integration in other products will not affect Suppliers Product Warranty.
 - 5.3. The Buyer is not obliged to inspect Supplier's Products for defects at the time of acceptance.
- 5.4. Supplier grants the Buyer a period of 24 months ("**Warranty Period**") from acceptance of the delivered Products or Services by the Buyer.
- 5.5. During this Warranty Period Buyer has the right to, at its sole discretion: a) require prompt repair or replacement of the defective Products at Supplier's expenses; b) reduce the Purchase Price to a reasonable extent; or c) terminate the Agreement and cancel the Order in its entirety in accordance to Section 12. In the event of full replacement of the Products under the Product Warranty, the Warranty Period of 24 months shall restart from the beginning.
- 5.6. Any applicable statute of limitations starts from Supplier's receipt of Buyer's notice of non-compliance of the Products with the Product Warranty.
- 5.7. The Supplier warrants to the Buyer that no third party rights, including but not limited to any patents or other Intellectual Property Rights, are infringed by the manufacture and/or delivery and use of the Products. The Supplier shall defend, indemnify and hold harmless the Buyer against any and all losses, damages, liabilities, third party claims, costs and expenses (including reasonable attorney fees) related to or arising out of infringements of third party rights by the Supplier's Products.
- 5.8. The Warranty set forth in this Section is cumulative and in addition to any other remedy under the Agreement, at law or otherwise.
- 6. Indemnity**
 - 6.1. In addition to any other remedy the Buyer might have under this Agreement, Supplier shall fully indemnify, hold harmless and defend Buyer from and against all claims, damages, liabilities, losses, costs and expenses (including but not limited to reasonable attorney's fees and costs), which arise out of or relate to any breach or violation of any covenant or other obligation or duty of Supplier under this Agreement or under applicable law.
- 7. Intellectual Property Rights**
 - 7.1. Each Party acknowledges and agrees that: a) any and all Intellectual Property Rights owned by either Party are the sole and exclusive property of that Party; b) it shall not acquire any ownership interest in any of the other Party's Intellectual Property Rights under this Agreement, unless expressly agreed in writing.
 - 7.2. To the extent that any Supplier's Intellectual Property Rights are incorporated into any Products, Supplier grants Buyer a non-exclusive, royalty-free, worldwide, perpetual, irrevocable, non-sublicensable license and right to use such Supplier's Intellectual Property Rights to the extent necessary for Buyer to own, exploit, use and transfer the Products.
- 8. Drawings, Tools, Models, Materials**
 - 8.1. Any drawings, tools, models, materials provided to the Supplier by the Buyer shall remain Buyer's property. The Supplier may only use these drawings, tools, models and materials in order to fulfill its obligations under this Agreement and shall not make them available to any third party without Buyer's prior written consent.
 - 8.2. Tools, plants, equipment, etc. that have been paid for by the Buyer are the property of the same. The Supplier shall mark these items as "Property of the Buyer", store them appropriately, keep them in good conditions and fully insure them, at its own expense, against usual damages.
 - 8.3. Upon Buyer's demand, Supplier shall promptly return all items described in this Section 8.
- 9. Insurance**
 - 9.1. Supplier shall, at its own expense, maintain and carry in full force and effect, a commercial general liability insurance (including product liability) in a sum no less than EUR/CHF [amount] with financially sound and reputable insurers and upon Buyer's request, shall provide Buyer with a certificate of insurance evidencing the insurance coverage specified in this Section 9.
- 10. Confidentiality**
 - 10.1. Each Party ("**Disclosing Party**") may disclose to the other Party ("**Receiving Party**") information about its business affairs, products and services, forecasts, confidential information and materials comprising or relating to Intellectual Property Rights and other sensitive or proprietary information. Such information, as well as the terms of the Agreement, whether orally or in written, electronic or other form or media, and whether or not marked or identified as "confidential", is collectively referred to as "**Confidential Information**".
 - 10.2. Notwithstanding the foregoing, Confidential Information does not include information that, at the time of disclosure and as established by documentary evidence by the Disclosing Party: a) is or comes in the public domain other than as a result of a breach of this Section 10; b) was in the Receiving Party's lawful possession prior of the disclosing; c) was lawfully obtained by a third party without acting in breach of this Section 10 or any other confidentiality undertaking; d) was developed independently from the Confidential Information by

- the Receiving Party; or e) is required to disclose pursuant to applicable law.
- 10.3. The Receiving Party shall, for five (5) years from disclosure of such Confidential Information: a) hold in strict confidence all Confidential Information received from the Disclosing Party; b) not use the Disclosing Party's Confidential Information for any purpose other than to exercise its rights or perform its obligations under the Agreement nor use Confidential Information to its own or third parties' benefit; and c) not disclose any such Confidential Information to any third party.
- 11. Force Majeure**
- 11.1. No Party shall be liable or responsible to the other Party, nor be deemed to have defaulted under or breached the Agreement, for any failure or delay in fulfilling or performing any term of the Agreement, when and to the extent such failure or delay is caused by or results from the following Force Majeure Events ("**Force Majeure Events**"): a) acts of God; b) flood, fire, earthquake or explosions; c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; d) action by any governmental authority; e) labor strikes or other industrial disturbances; f) embargoes or blockades in effect on or after the date of the Agreement; and g) other events beyond the control of the Party impacted by the Force Majeure Event ("**Impacted Party**").
- 11.2. The impacted Party shall give notice promptly to the other Party in case of a Force Majeure Event. The Impacted Party shall use diligent efforts to minimize the effects of such Force Majeure Events. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after termination of the cause.
- 11.3. In the Event that the Impacted Party's failure or delay remains uncured for a period of 30 days following written notice given by it under this Section 11, the other Party may thereafter terminate the Agreement upon 30 day's written notice.
- 12. Termination**
- 12.1. In addition to any remedies that may be provided under these T&C's, Buyer may terminate the Agreement effective immediately, by providing written notice to Supplier, either before or after acceptance of the Products, if: a) Supplier is in breach of any provision of the Agreement, and either the breach cannot be cured by Supplier within reasonably period of time (in no case exceeding 30 days) after Suppliers receipt of written notice of such breach; b) Supplier becomes subject to any proceedings under any domestic or foreign bankruptcy or insolvency law; or c) a change of control of Supplier occurs.
- 12.2. Buyer shall not liable to Supplier for any damage of any kind, whether direct or indirect (including, but not limited to loss of profits) incurred by Supplier by reason of the expiration or earlier termination of the Agreement.
- 12.3. Termination of the Agreement will not constitute a waiver of Buyer's rights, remedies or defenses under the Agreement, at law or otherwise.
- 13. Anti-Corruption**
- 13.1. The Parties declare to conduct business activities with loyalty, fairness, transparency, honesty and in compliance with the applicable Anti-Corruption laws.
- 14. Miscellaneous**
- 14.1. Supplier shall comply with all applicable laws and regulations.
- 14.2. Supplier and Buyer are independent contracting parties. Nothing in this Agreement creates any agency, joint venture, partnership or other form of joint enterprise relationship between Parties.
- 14.3. Neither Party has any right or authority to assume or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any contract, agreement or undertaking with any third party.
- 14.4. If any term or provision of the Agreement is invalid, illegal or unenforceable, such invalidity, illegality or unenforceability does not affect any other term or provision of this Agreement.
- 14.5. No amendment of this Agreement is effective unless it is in writing and signed by both parties.
- 14.6. No waiver by each Party of any of the provisions of the Agreement is effective unless explicitly set forth in writing and signed by such Party.
- 14.7. Supplier may not assign any of its rights or delegate any of its obligations under this Agreement without Buyer's prior written consent.
- 15. Governing Law / Place of Jurisdiction**
- 15.1. The Agreement all matters arising out of or relating to the Agreement are governed by, and construed in accordance with the laws of Switzerland. The Parties agree that the United Nations Convention on Contracts for the International Sales of Goods does not apply to the Agreement.
- 15.2. The competent courts of the Buyer's principal place of business shall have exclusive jurisdiction over all disputes or claims arising out of or in connection with the Agreement.