

GFMS General Purchase Conditions

1 General

- 1.1 All our orders for supplies and services are subject exclusively to these General Purchase Conditions; deviating our complementary conditions of the Supplier, in particular general conditions of sale shall be valid only if mutually agreed in tangible form (in writing, telefax, e-mail, EDI, etc.). This applies equally to any waiver of the tangible form.
- 1.2 Our General Purchase Conditions shall be valid also if we accept the deliveries of the Supplier without any reservation.
- 1.3 These General Purchase Conditions shall also apply to future orders.

2 Offers

- 2.1 Based on our request for proposal, the Supplier shall submit, free of charge, a corresponding offer. The offer shall in all respects correspond to our request. Deviations are to be specified explicitly.
- 2.2 Unless otherwise specified, the offer shall be valid for 90 days.
- 2.3 All data relating to measurements, weight, performance or other characteristics in Supplier's offer shall be binding.

3 Orders and Order Confirmations, Variations

- 3.1 Orders are valid only if transmitted by us in tangible form.
- 3.2 The Supplier shall confirm each order and the binding delivery dates within three working days. In case of call up orders, we expect a confirmation of the delivery date by the next following working day. Each confirmation of order must contain the following information: our order number and order date, article description, our article number, price, consignee, place of destination and if deviating from the order, tariff number and country of origin.
- 3.3 We shall be entitled to request reasonable changes to the agreed Goods regarding design and manufacture. The consequences resulting from such changes, in particular regarding in increase or decrease of costs as well as regarding the delivery date shall be mutually agreed upon.

4 Export Controls, Certificates of Origin

- 4.1 In his order confirmation the Supplier shall state whether the Goods, in case of re-export, are subject to export control regulations.
- 4.2 In addition, he shall submit, at our request, a certificate of origin.

5 Approval of Drawings and other Technical Documents

- 5.1 Prior to the start of manufacture of the Goods, the Supplier shall submit the relevant drawings and technical documents for approval. Our approval does not relieve the Supplier from his responsibility for the function and quality of the Goods. The final drawings, maintenance and operating instructions as well as a list of spare parts needed for the maintenance of the Goods are to be supplied latest by commencement of the erection of the Goods.

6 Prices, Terms of Payment

- 6.1 The agreed prices are firm and shall remain firm until completion of the order. VAT shall be stated separately. The prices are understood DDP (delivered, duty paid) our place of business, according ICC Incoterms, latest edition.
- 6.2 Invoices shall be sent upon delivery of the Goods, but separately. Invoices shall contain the following information: our order number and order date, article description, our article number, quantities and price per article, consignee and place of destination.

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- 6.3 Unless otherwise agreed, the following terms of payment apply:
60 days net end of month from receipt of the invoice, at the earliest however from arrival, respectively acceptance of the Goods.
- 6.4 Our payments shall not constitute acceptance of Supplier's performance. In case of effective Goods or non-performance as well as in case of missing material- or work-certificates, certificates of origin or other agreed documents we shall be entitled to withhold the payment proportionately until the contract has been properly fulfilled.
- We shall be entitled to set-off our own claims or claims of affiliated companies against Supplier's claims, to the extent that our counterclaims are either acknowledged or finally awarded.
- 6.5 Without our prior consent in tangible form, which shall not be unreasonably withheld, the Supplier may not assign his claims or have them collected by third parties.
- 6.6 In case of advance payments, the Supplier shall, at our request, provide adequate security (e.g. a bank guarantee).

7 Packing, Dispatch, Transport Insurance

- 7.1 The Supplier shall be responsible for adequately packing the Goods
- 7.2 Each delivery shall be accompanied by a delivery note containing the information described in para 6.2.
- 7.3 The articles are to be designated that the article description and our article number as well as, if applicable, the serial numbers are clearly visible.
- 7.4 If the return of empties or packing material have been agreed the cost of transport and disposal shall be for the Supplier's account.

8 Transfer of Risk

- 8.1 If the agreed transport documents have not been properly transmitted, the Goods shall be stored at Supplier's risk until the documents have been submitted.

9 Transport of dangerous Goods

- 9.1 The transport of dangerous Goods on public roads in Switzerland shall be subject to the Ordinance on the Transport of Dangerous Goods.
- 9.2 Goods, including those imported from abroad - are to be clearly designated according to the Swiss Ordinance on Chemicals. Repeated non-observance of this requirement shall entitle us to reject the Goods.
- 9.3 The relevant safety data sheets of the Goods ordered shall be attached to the pertinent supply. The number of safety data sheets shall be specified in the relevant order. In addition, the safety data sheets, including any changes thereto, shall also be submitted in electronic form.

10 Delivery Date

- 10.1 The agreed delivery dates and periods are binding and of the essence. Delivery dates or -periods are deemed met upon arrival of the Goods at the agreed place of destination. In case of deliveries other than DDP, the Supplier shall have the Goods ready for timely loading and shipment.
- 10.2 Partial or premature deliveries shall require our prior consent.
- 10.3 The Supplier shall notify foreseeable delays or partial delays immediately. The notice shall state the reasons for the delay and its estimated duration. If the agreed delivery date is not met, the Supplier shall be deemed in arrears.

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- 10.4 If the agreed delivery date or the agreed delivery period are not met, a penalty of 2%, max. however 10% of the price of the Goods shall become due for each commenced week of delay. In case of partial delays, the penalty shall be calculated on the total price of the Goods or services which, due to the partial delay cannot be used. Payment of the penalty shall be without prejudice to our right to claim damages exceeding the penalty.
- 10.5 In case of missing documents or free-issue material to be supplied by us, the Supplier is only excused if he has timely requested the supply of such documents or materials. In such case, the delivery period will be prolonged adequately.

11 Inspection and Acceptance of the Goods, Warranty

- 11.1 Defects of the Goods shall immediately be notified to the Supplier in tangible form as soon as they have been discovered in the ordinary course of business. To this extent, the Supplier waives his rights of objection resulting from delayed notification of defects. In any event, we shall be obliged to inspect inbound Goods with regard to identity, quantity or obvious transport defects and to notify any defects or deficiencies within ten days following receipt of the Goods.
- 11.2 The Supplier warrants that the Goods correspond to the newest state of the art, that they are free from defects which may impair their fitness for the intended use, that they dispose of the warranted characteristics and that they comply with the agreed specifications.
- 11.3 In case the Goods or parts thereof fail to comply with the warranty given pursuant to paragraph 11.2, the Supplier shall be obliged to remedy or have remedied the defects at his expense and at the place of his election.

If a complete remedy of the defects cannot be expected within a reasonable period, the Supplier shall, free of charge, replace the defective Goods. In addition, he shall bear the costs of disassembly and re-assembly.

If the Supplier is not capable of or fails to remedy the defects immediately, we shall be entitled, after consultation with the Supplier and at his cost and expense, to remedy the defects ourselves or to have them remedied by third parties. The same applies in case the defective parts have to be replaced. All costs of transport and related travel expenses shall be borne by the Supplier. In addition, the Supplier shall bear the handling costs we have incurred.

Transport costs and travel expenses for repairs shall be borne by us if the Goods, without Supplier's knowledge, have been shipped abroad.

- 11.4 All our rights at law to claim damages, in particular to claim damages for non-performance of the contract, remain reserved.
- 11.5 The warranty period shall be 24 months. It starts upon arrival of the Goods at the place of destination. If a joint acceptance test has been agreed, it starts upon successful acceptance of the Goods.

The warranty period for repairs or replacements shall be 12 months; it shall however not end prior to the expiry of the original warranty period for the Goods. In addition, the warranty period shall be prolonged by the period during which the Goods, due to repair work could not be operated.

- 11.6 Our warranty claims shall in all cases be time-barred 12 months from the date of the notification.
- 11.7 In case the Supplier rejects our warranty claims, he shall remain obliged to prepare a detailed report containing the following information: article designation, our article number, type of article, serial number, analysis of the defect (root cause of the defect, remedial actions), photographs, list of exchanged parts, costs and detailed justifications for rejection of our warranty claim.

12 EC-Conformity, Operating Instructions

- 12.1 All Goods must conform to the applicable EC-directives, operating instructions, Declarations of Conformity or Manufacturer's Declarations required by law shall be permanently updated and supplied, free of charge, in writing or electronic format in German and English language.
- 12.2 In addition to the German and English versions, operating instructions are to be supplied, free of charge, also in French, Spanish and Italian language, to the extent the respective instructions are used by the Supplier also for other customers. Unless otherwise agreed, the Supplier may invoice the costs of translation of operating instructions specifically made for us.

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- 12.3 Our machines and spare parts are sold worldwide. It shall be the responsibility of the Supplier to acquaint himself if and where the Goods require approvals and certifications. The certification costs of Goods, which have not been specifically developed or manufactured for us, shall be borne by the Supplier. Goods to be certified must have at least one of the following approvals: CE (Europe), UL (USA), CSA (Canada), CCC (China).

13 Spare Parts

- 13.1 The Supplier shall procure that all his spare parts or compatible substitutes thereto are available at reasonable conditions and within a reasonable period of time for at least 10 years after serial supply.
- 13.2 In case of complete modules, the Supplier shall provide a constantly updated spare parts catalogue with corresponding drawings and sketches in Supplier's and in English language. The documents shall be transmitted in electronic format.

14 Tailor-made Products

- 14.1 Goods which have been developed by the Supplier at our request and cost or which we have developed jointly with the Supplier may not be sold to third parties for the duration of any pertinent intellectual property rights owned by us, at least however, for a period of five years following our last order.

15 Product Liability, Insurance

- 15.1 To the extent the Supplier is liable for a defect in the Goods supplied, he shall, at first demand, indemnify and keep us harmless from any third party claims to the extent he is responsible for the root-cause of the defect and to the extent he is also directly liable to the third party.
- 15.2 The Supplier shall take out and maintain a product liability insurance with a worldwide coverage of at least CHF 5 Million per personal and/or property damage and with a coverage of at least CHF 0,5 Million for the costs of dis- and reassembly. The aforementioned insurance coverage shall not constitute a limitation of Supplier's liability.

16 Infringements

- 16.1 The Supplier shall be responsible that the Goods do not infringe any domestic or foreign patents or other industrial property rights of third parties.

17 Secrecy, Intellectual Property

- 17.1 All data, drawings, etc., which we provide to the Supplier for the manufacture of the Goods, shall remain our property. They may not be used for any other purpose, copied or disclosed to any third parties. Copyrights, if existing, shall equally be our property. At our request, all documents, including any copies thereof, shall be returned to us.
- 17.2 We shall equally keep secret all technical documents we receive from the Supplier. They shall remain the property of the Supplier or his subcontractors.

18 Tools, Gauges, Fixtures, etc.

- 18.1 Tools, gauges, fixtures, patterns, etc., which have been ordered and paid for by us shall remain our property. They must be safely stored and maintained as well as adequately insured against all risks by the Supplier. Without our consent in tangible form they may not be modified, destroyed or used for third parties.

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19 Protection of Personal Data

19.1 In the context of the contractual relationship with the Supplier personal data may have to be processed. The Supplier agrees that - in the context of the execution of our orders - we process and disclose such personal data also to third parties (clients, etc.) at home and abroad.

20 Force Majeure

- 20.1 Neither Party shall be liable to the other for the non-performance of a contract caused by events of Force Majeure. "Force Majeure" are deemed to be non-foreseeable events occurring following the signing of a contract which are beyond the reasonable control of the affected Party. The same applies if such events are affecting subcontractors.
- 20.2 The Party invoking grounds of Force Majeure shall inform the other Party without delay of the occurrence and the probable duration of the state of Force Majeure. If it fails to do so the affected Party shall not be entitled to invoke a state of Force Majeure.

21 Assignment, Sub-letting, Change of Place of Manufacture

- 21.1 The Supplier may not assign or sub-let the order or any material part thereof without our prior consent.
- 21.2 The Supplier shall inform us without delay if he intends to move the manufacture of the Goods from one site to another.

22 Rescission, Termination

- 22.1 If the Supplier, despite a reasonable time extension granted by us, is in arrear with the delivery of the Goods or his warranty obligations pursuant to paragraph 11 we shall be entitled to rescind or terminate the contract and to claim damages for non-performance.
- 22.2 If, prior to the due date, it is foreseeable that the Supplier, for reasons not attributable to us, will exceed the delivery date, entailing economic risks which reasonably cannot be expected to be borne by us, or if it is foreseeable that the Goods will not be fit for the purpose for which they are intended, we may rescind or terminate the contract and claim damages for non-performance, provided a reasonable extension for the performance of the contract has been granted, but without success.
- 22.3 The above remedies shall be in addition to and not in lieu of any other remedies available at law.

23 Place of Performance, Applicable Law, Jurisdiction

- 23.1 Place of performance for the supplies shall be the place of destination indicated in the purchase order. Place of performance for payments shall be our place of business.
- 23.2 All contracts concluded between us shall exclusively be subject to Swiss law.
- 23.3 Place of venue and jurisdiction shall be our place of business. We shall be entitled to bring action in any other competent court.

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24 REACH conformity and duty to provide information

The Supplier undertakes to ensure that the goods supplied by him to us in the warehousing business or to other member companies of the Georg Fischer Group in third-party deals, including packaging, comply with the stipulations of the EC Regulation no. 1907/2006 regarding Registration, Evaluation, Authorization and Restriction of Chemical Substances (REACH Regulation).

The Supplier shall ensure in particular that the delivered goods/products and the packaging thereof do not contain any substances included in the Candidate List in acc. with Art. 59 paragraph 1 of the REACH Regulation, as amended, in quantities exceeding 0.1 weight per cent (SVHC substances). Once that concentration is exceeded, the Supplier shall be required to specify to us by name the individual substances used, as well as their mass percentage. If the goods supplied by the Supplier contain substances included in the Candidate List for no matter which reason, the Supplier ensures that they are covered by an authorization acc. to the REACH Regulation.

The Supplier is obliged to have all substances contained in the goods registered by himself or (pre)registered by upstream suppliers insofar as the Supplier is subject to the registration requirement in acc. with the REACH Regulation. If the Supplier himself is not subject to the registration requirement in acc. with the REACH Regulation, he shall oblige his upstream suppliers to comply with their obligations in acc. with the REACH Regulation. Proof of any registration made by the Supplier or his upstream suppliers regarding the delivered goods shall be furnished to us in writing on request.

- 24.1 The Supplier undertakes to communicate to us all items of information and documentation required in acc. with the REACH Regulation (in particular in acc. with Art. 31 et seq. of the REACH Regulation) within the time periods provided for by the REACH Regulation and/or to forward the information obtained from his upstream supplier to us immediately.
- 24.2 If claims related to goods delivered by the Supplier are raised against us or other member companies of the Georg Fischer Group by customers, competitors or authorities due to infringement upon the stipulations of the REACH Regulation, we shall be entitled to require the Supplier to hold us/them harmless against such claims and to provide compensation for the damage caused by or in conjunction with non-conformity with the REACH Regulation.

25 Environment

- 25.1 The Supplier takes the responsibility that the Goods are in conformity with the environmental, security and accident-prevention standards in force at the date of delivery. He shall be liable for any breach of these provisions and shall indemnify and, at its request, keep Georg Fischer harmless from any claims that may be raised by third parties against Georg Fischer.
- 25.2 With regard to all materials and objects (in particular dangerous substances or preparations) which by their nature, properties or condition may pose dangers to the environment, to objects or people if put to use or be-ing commissioned and which therefore require special handling with regard to packing, transport, storage or disposal, the Supplier shall submit to Georg Fischer, prior to shipment, a completely filled-out security data sheet as provided by applicable law and the pertinent EU-Directives. In addition, the Supplier shall send to Georg Fischer instructions on actions to take in case of possible transport accidents.
- 25.3 In case of the supply of plants, all properties of the plant relevant for its safe operation as well as all security measures are to be evaluated and laid down in an instruction manual or a similar document.
- 25.4 Supplier guarantees that its supplies shall not have ionising radiation that exceeds the relevant statutory maximum permissible value. If contractually agreed, Supplier shall present test records of adequate checking devices upon Georg Fischer's demand at any time.
- 25.5 The Supplier must fulfil all specifications and measures resulting from the REACH Directive for all substances, preparations and products supplied/provided to Georg Fischer. The Supplier shall identify any product containing materials which are subject to the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Conflict Minerals") and accordingly fill in the Conflict Mineral Report provided by Georg Fischer.

26 Trade Compliance Regulations

- 26.1 The Supplier shall comply with all applicable export controls, customs and foreign trade regulations, embargos and other sanctions ("Trade Compliance Regulations"). The Supplier shall in particular obtain, at its own cost, the necessary export licenses or approvals for worldwide export of the Goods or any part thereof (including wares, information, software and/or technology related thereto) prior to their export.

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- 26.2 The Supplier shall advise us in writing within one week of receipt of the purchase order (and in case of any changes without undue delay) of any information and data required by us to comply with all Trade Compliance Regulations in case of import, export and re-export. This includes without limitation
- a) the information whether or not the Goods or any part thereof (including wares, information, software and/or technology related thereto) are export controlled under any relevant regulation (e.g. of the country of export and/or of the US) and, if so, about the extent of such restrictions and all applicable export list numbers (e.g. for US-origin items the Export Control Classification Number ECCN according to the U.S. Commerce Control List), as well as
 - b) the country of origin (non-preferential origin) and, upon our request, the Supplier's declaration of preferential origin or preferential certificates.
- 26.3 The coming into force of any purchase order shall be conditional upon the effective issuance of a necessary license. We have no obligation to fulfill any purchase order in case of impediments arising out of any Trade Compliance Regulations (e.g. if a license is withdrawn, revoked, not renewed or no longer valid).