

18.12.2020

General conditions of contract for the supply of machinery

1. General

These general conditions of Precitrame Machines SA (hereinafter "**PTM**") shall supplement (but shall not substitute) the "general conditions of contract for the supply of plant and machinery", version 2016 from Swissmem (hereinafter "**GCC Swissmem**"), the latter being part of these general conditions and as such attached to these general conditions. Should a provision of these general conditions be in contradiction to the GCC Swissmem, these general conditions shall be binding. The Swissmem conditions of contract can be found under the following link: <http://www.precitrame.com/gcc>

Should a provision of PTM's written acknowledgement stating its acceptance of the Buyer's order (hereinafter the "Order acknowledgement") be in contradiction to these general conditions, the Order acknowledgement shall be binding.

All agreements and legally relevant declarations of the parties to the contract must be in writing in order to be valid.

Should a provision of these general conditions prove to be wholly or partly invalid, the parties to the contract shall jointly seek an arrangement having a legal and economic effect which will be as similar as possible to the invalid provision.

Should the contractual documents be established in multiple languages, only the French version shall be binding. This provision applies also to these general conditions, which are a translation of the French version and as such shall not be binding.

In addition, the provisions of the GCC Swissmem shall apply.

2. Conclusion of contract

Tenders which do not stipulate an acceptance period shall not be binding. PTM's indicative quote shall only have an informative meaning and shall not be binding.

The contract shall be deemed to have entered into upon receipt of the Order acknowledgement.

3. Scope of supplies, delivery and transfer of risks

The Buyer shall provide PTM with the performance characteristics for the machinery object of the contract. The Buyer shall in before verify that these performance characteristics are conforming to his requirements.

PTM's supplies and services are exhaustively specified in the Order acknowledgement,

including the technical criteria to be met by the machine.

Unless otherwise agreed upon, delivery shall be "FCA Tramelan" according to the Incoterms clauses in their current version. The risk is transferred to the Buyer in accordance with the Incoterms clauses as defined.

4. Technical documents

Unless otherwise agreed upon, brochures and catalogues are not binding. Data provided for in technical documents are only binding in so far as having been expressly stipulated as such.

5. Export procedure

The buyer must provide PTM with all documents necessary for the export of machines or machine components. Upon request from PTM, the Buyer must provide an End-User Certificate (EUC).

6. Prices

Unless otherwise agreed upon, all prices shall be deemed to be net ex works, excluding any and all taxes, duties, tariffs, fees and similar assessments, costs for packaging, labeling and shipping materials, transportation and insurance, and all related costs and expenses incurred by PTM in connection with the performance of its obligations under the Contract, in freely available Swiss francs (CHF) without any deduction whatsoever.

7. Term of payment

Unless otherwise agreed upon, the price shall be paid in the following installments:

- 50 % as advance payment according to the GCC Swissmem within ten days after issuance of the Order acknowledgement by PTM or issuance of acceptance of PTM's Offer by the Buyer,
- 40% within 45 days after the performance of the pre-taking-over according to paragraph 10.1. hereafter,
- 10% within 0 days after the performance of the final taking-over according to paragraph 10.2.

8. Delivery time

Unless otherwise agreed, the time period specified in the Order Acknowledgement is the time period for pre-acceptance by the Buyer at PTM's headquarters.

Due to the specificities of some machines, PTM reserves a waiting period of 4 weeks in relation to the contractual period.

9. Withdrawal and extension of delivery

Should the Buyer after reception of the Order acknowledgement, but before the performance of

the pre-taking-over withdraw from the contract, the Buyer shall indemnify PTM as follows:

Weeks ¹	Amount ²
> 16	30%
>8 ≤ 16	70%
≤ 8	90%

- 1 Number of remaining weeks before delivery time at reception of the Buyer's withdrawal.
- 2 Percentage of the price according to the Order acknowledgement.

Should the Buyer extend the delivery time, the Buyer shall indemnify PTM as follows:

1% of the price³ / extended week however, limited to 10%.

- 3 Price according to the Order acknowledgement or acceptance of PTM's Offer

PTM shall be entitled to claim further compensatory damages.

10. Inspection and taking over of the supplies and services

As far as being normal practice, PTM shall inspect the supplies and services according to the GCC Swissmem before the performance of the taking-over procedure.

The taking-over procedure consists in a pre-taking-over and a final taking-over both as part of the taking-over procedure according to the GCC Swissmem. In the absence of a special agreement the following shall apply:

10.1 Pre-taking-over

The pre-taking-over shall be carried out at PTM's registered office.

A pre-taking-over report shall be prepared which shall be signed by both the Buyer and PTM. Such report shall state that the pre-taking-over has taken place and the supplies and services can be delivered.

The content of the pre-taking-over is exhaustively specified in the Order acknowledgement.

10.2 Final taking-over

The final taking-over shall be carried out at the Buyer's registered office. A final taking-over report shall be prepared which shall be signed by both the Buyer and PTM. Such report shall state that the final taking-over has taken place.

The content of the final taking-over is exhaustively specified in the Order acknowledgement.

11. Guarantee, liability for defects

PTM is only liable for the supplies and services which have been expressly stated in the Order

acknowledgement. In addition, the GCC Swissmem shall apply.

11.1 End of Guarantee and out of guarantee services

At the end of the guarantee period, the services will be provided as described in the following documents:

- Rates for services, current version
- General Conditions of Maintenance and Repair, version 2017

12. Intellectual property rights, exclusivity

Unless otherwise agreed upon, the contract doesn't grant any exclusivity right to the Buyer with respect to the supplies and services. PTM shall be expressly allowed to provide third parties with the same supplies and services.

13. Taxes

The Buyer shall be responsible for all taxes, duties, fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on PTM or the Buyer in relation to the Contract or the performance of or payment for goods and/or services under the Contract (hereinafter "**Taxes**"). If the Buyer deducts or withholds any Taxes, the Buyer shall pay additional amounts so that PTM receives the full price without reduction for any Taxes. The Buyer shall remit any such Taxes to the applicable governmental authority, and/or to file any return, form or information statement that may be required to be filed by or with any governmental authority. The Buyer shall provide to PTM, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld Taxes.

14. Jurisdiction and applicable law

Any dispute, controversy or claim arising out of, or in relation to, the Contract, including the validity, invalidity, breach, or termination thereof, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules. The number of arbitrators shall be one. The seat of the arbitration shall be Zurich. The arbitral proceedings shall be conducted in English.

The contract shall be governed by Swiss substantive law.