

General Terms and Conditions of Purchase of Flisom AG / Flisom Hungary Kft

I. Scope and Entering into Agreement

1. The present General Terms and Conditions of Purchase ("GTCP") shall govern the relationship between Flisom AG or Flisom Hungary Kft ("Flisom") and any legal entity ("Supplier") supplying Materials or Equipment or Services ("Goods") to Flisom, insofar as the Parties (Flisom and Supplier, together the "Parties", each a "Party") have not agreed otherwise explicitly in writing. Terms and conditions of the Supplier shall not be recognised and shall not be binding.
2. A binding agreement ("Agreement") is entered by the Parties if Supplier accepts a written order (Purchase Order on Flisom stationary; "Order") placed by Flisom. If Supplier delivers Goods pursuant to a written Order of Flisom, Supplier shall be deemed to have accepted Flisom's respective Order. If Flisom receives/accepts Goods, this shall never be interpreted in such a way that Flisom agrees to entering into a contract or to an amendment of a contract.
3. The Agreement between Flisom and Supplier consists of the accepted Order of Flisom, including any annexes referred to therein, and the present GTCP as integral parts.

II. Duty to Inform

1. Supplier shall carefully study plans, other documents and/or auxiliary material (samples, models, etc.) received from Flisom, together with an Order.
2. By entering into an Agreement, Supplier confirms having informed Flisom if and how Flisom's Order should, in the interest of Flisom, be amended (e.g. because of obvious errors in the Order or because amendments are otherwise necessary or advisable).
3. If it becomes apparent to Supplier that performance in accordance with the Agreement regarding the quality/quantity of the Goods, delivery date or otherwise could be endangered, Supplier shall inform Flisom without delay.

III. Purchased Goods

1. Supplier sells, delivers and transfers to Flisom, and Flisom purchases and acquires, the Goods described in the Agreement, in particular in the Order placed by Flisom.
2. Together with the Goods, Supplier shall deliver and transfer to Flisom (a) all plans and other documents (such as operating instructions) required for the proper use of the Goods, (b) the necessary Supplier's declarations and evidence of origin and (c) further declarations confirming that the Goods comply with all applicable regulations (particularly, but not limited to, the essential health and safety requirements).

IV. Delivery, Shipment and Services

1. Unless otherwise agreed in writing, Supplier shall deliver the Goods to:
 - a) Flisom's plant in Niederhasli, Switzerland DDP (delivered duty paid) in accordance with the applicable Incoterms for Orders placed by Flisom AG.
 - b) Flisom's plant in Kecskemet, Hungary DDP (delivered duty paid) in accordance with the applicable Incoterms for Orders placed by Flisom Hungary Kft.
2. Each delivery shall be accompanied by a detailed delivery note (shipping advice) containing the number of the respective Order of Flisom. Delivery shall be considered complete only when an authorised employee of Flisom accepts the delivered Goods. Supplier is responsible for taking written confirmation of Delivery from Flisom.
3. Partial deliveries are only permitted in exceptional cases upon agreement with Flisom and must be clearly marked as a "partial delivery" in the delivery note.
4. Supplier must properly package the Goods. Supplier shall be liable for any damage caused by unsuitable packaging.
5. The agreed delivery date is a fixed date and shall be understood as the date of arrival at the place of destination. For each week of the delay, Supplier shall pay a penalty of 0.5% of the purchase price, but no more than 5% of the purchase price in total.
6. Notwithstanding a penalty payment, Supplier's obligation to perform the Agreement shall remain in force. Supplier shall also be liable, in addition to the penalty payment, for any damage suffered by Flisom as a result of any delay.
7. If Flisom receives/accepts delayed delivery/Goods, this shall not be deemed a waiver of any right under the Agreement or under any applicable laws.
8. Persons who, on behalf of Supplier, carry out work on Flisom's premises in performing the Agreement must comply with Flisom's regulations and any other applicable health, safety and labour regulations. Supplier must ensure compliance with such regulations and verify this regularly. Flisom does not assume any liability for accidents unless caused by intentional or grossly negligent breaches of a duty of care on the part of Flisom and their representatives.

V. Prices and Terms of Payment

1. The price set forth in the Agreement is binding. Unless otherwise agreed explicitly in writing such price includes and covers all Goods, services and expenses of Supplier (in particular also packaging and delivery; documents to be delivered with the Goods etc.).
2. Each delivery shall be invoiced immediately upon shipping with the invoice indicating VAT and the number of Flisom's Order. Invoices lacking such information are rejected.
3. Subject to clause VI/3, an invoice shall be paid within 45 days of delivery of goods. Any payment by Flisom shall not be construed to be a waiver of rights and claims Flisom may otherwise have, in particular under clause VI/4.
4. Flisom expressly reserves the right of set-off and the right of retention.

VI. Warranty and Remedies

1. Supplier warrants that the Goods (a) comply with the agreed specifications, (b) are fit their intended use, including that the Goods and their intended use do not infringe third-party rights, (c) have no legal or physical defects and (d) comply with all applicable laws and regulations. Further, Supplier is liable for its auxiliary persons and suppliers.
2. Unless agreed otherwise explicitly in writing, the warranty period shall be at least 12 months or commensurate with industry standard warranty periods for similar Goods, whichever is higher. Warranty period will start upon delivery or receiving respectively acceptance (in case there is a separate agreed formal acceptance test), whichever is later. Flisom may bring claims pursuant to clause VI/4 within such warranty period.
3. Flisom shall inspected the Goods delivered as soon as reasonably possible. The obligation of immediate examination and notification, whether required by law or not, shall be waived.
4. In case of breach of the warranty pursuant to clause VI/1 above (in each case a "Defect") Flisom has the right to claims, at its discretion, for rescission of sale, reduction in price, improvement/repair or replacement and damages. Furthermore, Flisom reserves the right to retain payment fully or partly until, (i) if we require replacement of Goods, Supplier has fulfilled its duty to deliver a faultless replacement or (ii) the circumstances regarding any rescission of sale, reduction in price and damages have been settled bindingly.
5. In all cases of Defect Flisom may claim compensation for any damages (transport costs, costs of materials, labor costs etc.) that it directly or indirectly suffers due to the breach of breach of the warranty pursuant to clause VI/1 above

VII. Product Liability

1. Flisom will notify Supplier of any Defect which resulted or may result in death, personal injury or material damage and discuss the steps to be taken together with the Supplier. In such case the Parties shall discuss measures to be taken without delay.
2. In a case pursuant to clause VII/1, Supplier shall (a) support, at its own cost, Flisom, in the dispute with the injured person and (b) fully indemnify Flisom against legitimate claims as well as for costs of any recall action attributable to Defects for which Supplier is responsible. Flisom may assert claims under this clause during an unlimited period of time; Supplier expressly waives any defence of limitation.

VIII. Insurance

Supplier undertakes to take out liability insurance with extended product liability insurance that also covers the costs of any recalls and with a coverage of at least CHF 5 million. Supplier furthermore undertakes to uphold such insurance for as long as deliveries continue and goods and services are provided. Supplier shall provide Flisom with up-to-date certification of the existence of such insurance.

IX. Flisom's Property

1. All commercial and technical information (e.g. drawings and other documents) and any material (samples, models, finished products, semi-finished products etc.) provided or made accessi-

ble by Flisom or that are produced on Flisom's behalf shall remain Flisom's property. Flisom reserves all rights in respect of such property.

2. Supplier shall keep and maintain Flisom's property within its control with the due care and diligence and it shall exclusively be used in accordance with the Agreement and such property may neither be used by Supplier itself nor for any third party. Supplier must insure any of Flisom's property within its control at the replacement value and at Supplier's own expense and must provide Flisom with evidence of such insurance on request. Supplier shall mark Flisom's property within its control as such in an appropriate manner.
3. Unless otherwise agreed in writing, any property of Flisom must be automatically be returned and handed over to Flisom or destroyed at Flisom's request without delay upon completion of the Agreement.

X. Confidentiality

Supplier undertakes to treat as confidential all information that Supplier receives in the context of this Agreement and to use such information only for purposes of performing the Agreement. Supplier may only disclose such information to its employees and other persons to the extent such disclosure is necessary in order to perform the Agreement. Supplier shall ensure that any person receiving such information complies with the obligations under this clause.

XI. Compliance

1. Supplier shall (a) comply with all applicable laws and regulations, in particular on export control, customs, foreign trade and "conflict mineral free" procurement (Dodd-Frank Act, section 1502) for all Goods to be delivered and services to be provided according to the Agreement, (b) also obtain all necessary licenses (e.g. export licenses) and (c) inform Flisom in good time if it has to take any measures and/or provide any information in this connection.
2. In case Supplier is in breach of its obligations under this clause XI it shall fully indemnify Flisom against any claims and damages resulting from such breach.

XII. Termination

Flisom shall have the right to terminate the Agreement by giving written notice at any time without giving reasons and with immediate effect, provided that Flisom pays Supplier for Goods already delivered and services already rendered or any incurred expenses for fulfilment of the cancelled Order.

XIII. Miscellaneous

1. Any amendment to the Agreement shall require the written form from authorised representations of Flisom in order to be effective.
2. If any provision of the Agreement should be void or unenforceable, this shall not affect the validity of the remaining provisions. Any provisions that are void or unenforceable shall be replaced by provisions that come as close as possible to achieving the intended purpose.
3. For orders placed by Flisom AG, the Agreement shall be exclusively governed by Swiss law excluding the United Nations Conventions on Contracts for the International Sale of Goods of 11

April 1980 (Vienna Sale of Goods Convention). The exclusive place of jurisdiction shall be Niederhasli in Switzerland. Flisom reserves the right to also enforce its rights at the place where Supplier has its registered office.

4. For orders placed by Flisom Hungary Kft, the Agreement shall be exclusively governed by Hungarian law excluding the United Nations Conventions on Contracts for the International Sale of Goods of 11 April 1980 (Vienna Sale of Goods Convention). The exclusive place of jurisdiction shall be Budapest in Hungary. Flisom reserves the right to also enforce its rights at the place where Supplier has its registered office.