

# **General Terms and Conditions of Business and Delivery**

### 1. General Provisions

The following general terms and conditions of business and delivery apply to any contracts concluded with Sontex SA, unless expressly agreed otherwise in writing. The respective contract partners of Sontex SA shall be hereinafter referred to as "customer".

#### 2 Conclusion of the Contract

Orders received by Sontex SA shall be deemed to be finally accepted after a written confirmation of order by Sontex SA has been issued or after a mutually signed contract exists. Sontex SA offers are prepared and are made subject to potential errors in printing, calculation or other errors. Changes or cancellation of orders are only valid if accepted in writing. The already incurred expenses will be charged to the customer. Orders limited in time have to be called-off within the agreed term.

#### 3. Prices and Terms of Payment

Any prices stated in offers and order confirmations are either stated in CHF, EURO, GBP or USD. They are exclusive of VAT, packaging, any and all customs and/or export duties, and any other taxes or charges under public law. Sontex SA expressly reserves the right to make alternations to prices in their offers in the event they are associated with changes in material, transport, wages or production costs.

The term of payment is 30 days net from the date of the invoice unless otherwise stated in the offer, the order confirmation or by way of the invoice. Goods supplied by Sontex SA remain Sontex SA's property until full payment of the goods.

In the event of delay in payment by the customer, interest is charged at the rate of 5% from the due date. In addition to this interest charge on the overdue payment, Sontex SA imposes a reminder fee in the amount of 50.00 in either CHF, EURO, GBP or US per reminder that is sent to customers when a delay of payment occurs.

Should a customer be in arrears with payments, become insolvent or in cases of insolvency proceedings that are pending against the customer, Sontex SA may hold back outstanding deliveries and services until the payment obligations of the customer are fully remedied.

Furthermore, Sontex SA has the right to withdraw from the contract and to reclaim executed deliveries and services without granting the customer a time extension and without having to immediately notify the customer of such if the customer is in arrears with payments (including partial arrears with payments). Sontex SA may claim compensation for the damages caused by the customer's non-performance including but not limited to any legal expenses related to legal proceedings and collection charges, all of which shall be borne by the customer.

Offsetting of counter-claims payable by Sontex SA to the customer with claims by Sontex SA to the customer is excluded in all cases. The same applies for any form of rights of retention associated with claims of the customer against Sontex SA.

#### 4. Deliveries

Any stated delivery deadlines shall be deemed as estimated deadlines for delivery of the products. Sontex SA strives to comply with the indicated delivery times. In any event, Sontex SA cannot and shall not be obliged to give a binding assurance thereof. Partial deliveries are permissible. Claims for damages against Sontex SA based on late deliveries are fully excluded.

All deliveries are made ex works. The customer bears all the risks associated with transportation.

The product may be subject to export controls and the delivery may be delayed due to certain export permits whether they have or have not been granted. In the event delivery cannot occur due to a refusal or denial of a permit under public law, Sontex SA's obligation to compensate the customer is explicted.

Sontex SA shall not be liable for failing in its obligation if delivery failure occurs due to circumstances that are beyond its control and hinder the delivery, including but not limited to war, mobilization, unrest, political unrest, civil commotion, supplier failures, provisions from the government or local authorities, strikes, blockades or lockouts, shortages due to allocations of resources, prohibitions on imports or exports, natural disasters, fire or other external circumstances of a similar nature.

### 5. Inspection and Notice Obligations

The customer is obliged to inspect the supplied products upon receipt to insure the number of received cargo items and the packaging markings comply with the agreement and to ascertain that there are no evident signs of damage and the product is free from any defects and defaults. Correspondent complaints shall be made immediately. Transport damage must be reported to the forwarding carrier with a statement on the freight bill by the customer. The customer may not invoke any defects that could have been identified according to the inspection obligations in this paragraph at a later time.

Other than the conditions indicated above concerning inspection obligations, the customer is obliged to report any defects identified immediately but no later than 3 days after the customer has identified or could have identified the defects.

### 6. Duty of Diligence and Disposal

In case the customer determines that the end consumer uses a Sontex SA product, whose condition might result in personal injuries or property damage upon usage, he shall inform Sontex SA immediately.

Within the bounds of the possibilities available, the customer also ensures that the products are exchanged or disposed of by the end user. This applies to expired products as indicated by designated life cycle and in accordance with the enclosed product instructions.

### 7. Warranty and Damage Compensation

A warranty of 24 months from the time of delivery is granted on the products delivered by Sontex SA (the date on which the products have left the facility of Sontex SA is conclusive). The warranty includes all claims relating to manufacturing and/or material faults.

The warranty granted by Sontex SA is subject to the fulfilment of the payment conditions by the customer. In the event the customer is in arrears with payments at the moment of the occurrence of the warranty, the warranty becomes invalid.

In the event damages on the delivered products are detected within the warranty period, Sontex SA shall be authorized to either repair these products or to deliver replacement goods, only if they are indeed determined to have been affected with recognised defects. Any replaced products or products parts remain on-site at Sontex SA.

Sontex SA also reserves sole right to determine reported damages directly on site or by an authorized representative and/or to have the product repaired.

The repair or the exchange of products or product parts do not, in any event, trigger a new start date for the warranty period.

In the event warranty obligation or liability exists by Sontex SA, all claims towards Sontex SA, regardless of the original cause, are confined to a maximum equivalent to the purchase price of the corresponding product.



Sontex SA shall be liable for delivered third-party products only to the maximum extent of the warranty granted and further only as fulfilment for the warranty as per and by the corresponding supplier.

In addition, Sontex SA's liability - to the extent permitted by law - is completely excluded and is therefore solely limited to gross negligence or intentional degradation. The liability of Sontex SA is, in particular and in all cases, excluded for direct and indirect damages such as operating failure, sales losses, lost profits, time losses, costs of fitting and removal, costs connected with troubleshooting, recalls and similar costs that have arisen from faulty products. Furthermore, any liability of Sontex SA for damage arising from one of the following conditions are excluded: (a) faulty commissioning, unprofessional or excessive use or faulty maintenance, (b) software, interfaces and accessories that have not been delivered by Sontex SA, (c) transport, fire, frost, entrance of foreign elements, silting or pollution or natural wear, (d) all kinds of external interference (in particular viruses, electronic or technical manipulation) or other technical faults.

Any liability for modifications or repairs that have not been executed by experts designated by Sontex SA are also excluded. All liability on the part of Sontex SA for auxiliary persons is explicitly excluded.

In the event the complaint notification by the customer is deemed to be unjustified or the defects that are not deemed to be the responsibility of Sontex SA, all costs arising from troubleshooting and/or error correction shall be paid by the customer.

### 8. Third Party Claims

If claims against Sontex SA are asserted by third parties which arise from the conduct of the customer (irrespective of indebtedness), the customer shall render full recourse to Sontex SA and release Sontex SA from any and all claims, obligations and liabilities without restriction.

#### 9. Intellectual Property

The customer acknowledges that all copyright and intellectual property of Sontex SA relating to trademarks, logo and other markings, technical specifications and the design of any products of Sontex SA are the sole property of Sontex SA, including the instructions and any documents that are delivered with the products. The customer may at no time perform actions or induce situations that contravene or in any way diminish this right. Drawings, cost estimates, offers and models are protected by the copyright and property rights of Sontex SA and shall not be made available to third parties. In all cases, models and products that are produced on behalf of the customer shall remain the property of Sontex SA. The customer is not eligible to change, supplement, alter or modify Sontex SA's products in any way without expressed written consent. The rights and obligations described in this paragraph shall survive the termination of this contract.

#### 10. Software Rights

In the event Sontex SA provides software with a delivered product, any property rights and other protection rights shall remain the sole property of Sontex SA. The customer shall only receive the non-exclusive, non-transferable and limited right to use the software in connection with the delivered product and the customer must abide with permission standards to resell the product in a manner consistent with Sontex SA's standards and procedures.

The customer may not modify, adapt or change the software and he may not make derived solutions, offer, sell, lease or transfer the software, or announce it to third parties or grant sub-licenses, merge the software or incorporate it into other software products and may not re-develop, decompile, disassemble the software or try to detect the source code in any other way without the expressed written consent of Sontex SA. All licence conditions from third parties are reserved.

### 11. Assignment Prohibition

The customer is not entitled to transfer a claim arising from the legal relationship with Sontex SA to a third party without expressed prior written consent from Sontex SA.

## 12. Right of Modification

Sontex SA has the sole right to amend the general terms and conditions at any time and Sontex further reserves the right to declare the amended provisions as applicable with pre-existing legal relations.

Sontex SA reserves the right to make changes to all products on offer. This also applies to products already on order provided that such amendments are not of major hindrance to the functionality of the products.

### 13. Place of Jurisdiction and Applicable Law

Swiss law, with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 1980 (Vienna Purchasing Convention, is exclusively applicable to any litigation arising from the contractual relationship with Sontex SA - including the general terms and conditions and inclusive of any and all disputes concerning the validity of a contract or the general terms and conditions.

The exclusive place of jurisdiction for all disputes shall be Biel/Bienne (Switzerland).

## 14. Severability Clause

If any individual provisions or portions of this contract prove to be invalid, of no effect or unenforceable, this will have no effect on the validity, effectiveness, and enforceability of the remaining parts of the contract.

In such event, the parties agree to replace the invalid, unenforceable, and unsatisfactory provision with a reasonable provision whereby a valid, effective and satisfactory provision can be applied which correspond with the original intention of both parties.