

## **General Terms of Business**

### **General Terms of Business of WALUTEC GmbH**

#### **I. General Provisions**

1. Customer's orders for EIWAL<sup>®</sup> magnifiers, EIWAL<sup>®</sup> covers and printing on EIWAL<sup>®</sup> covers shall become binding with respect to manner and extent of the delivery with the order confirmation of WALUTEC GmbH, hereinafter referred to as WALUTEC. Changes and amendments may be done in writing only.

2. These Conditions of Sale shall in case of permanent business relations between the Parties also be valid for future dealings, even if the Parties do not expressly refer to these Conditions of Sale, if the Parties had agreed upon the application of the Conditions of Sale previously. If other conditions of customer or WALUTEC should replace these Conditions of Sale, the Parties shall have to expressly agree respectively in writing. In case particular provisions of these Conditions of Sale should be invalid, all other provisions shall remain in full force.

3. Customer's purchase conditions shall only be binding for WALUTEC if WALUTEC has accepted them explicitly in writing.

#### **II. Prices**

1. Prices shall be ex works excluding packaging plus VAT in the relevant amount as provided by law, as long as the Parties do not agree otherwise.

2. WALUTEC has the right to adjust prices at any time. However, the prices and currency stated on the date of ordering and shown in the order confirmation shall always apply.

#### **III. Offer**

1. Price lists, brochures and presentations contain non binding information and recommended prices.

2. A quotation remains valid for three months unless another date of validity has been separately agreed upon in writing.

3. An offer is accepted upon the customer's consent in writing, per phone, facsimile or e-mail or during a personal discussion.

4. WALUTEC confirms acceptance of the order with an order confirmation in writing, per facsimile or per e-mail within an adequate period or as agreed upon. The customer shall be entitled to object within three days, provided that nothing else has been agreed in writing. Otherwise the order confirmation is binding.

5. If the customer wishes to make modifications with respect to the confirmed order WALUTEC will convey the feasibility of such modifications within two weeks and inform the customer about associated implications such as due date and pricing. The modified offer is

binding for WALUTEC during a period of ten working days. The change shall not apply to products already manufactured or delivered.

#### **IV. Obligations of Delivery and Acceptance**

1. Delivery dates start after receipt of all documents essential for the execution of the order and – as the case may be – supply of material and agreed advance payment. For printing orders, the customer's *good for printing* is required.

2. If WALUTEC should not keep to an agreed delivery time due to WALUTEC's own default, customer shall be entitled – after having set a reasonable period of grace – to ask for a reasonable compensation, which shall not exceed 5% of the value of the delayed goods, or to withdraw from the contract, presupposed that customer has pointed out that he may reject WALUTEC's performance when setting the reasonable period of grace.

3. Reasonable partial deliveries shall be tolerable.

4. Any events of force majeure occurring with respect to WALUTEC or WALUTEC's sub-supplier's obligations shall prolong the delivery times for a reasonable time span. The same shall apply with respect to any interference by governments or other authorities, difficulties of supply of energy or raw material, strikes and lockouts and other non-foreseeable hindrances of shipment, as long as such events are not attributable to WALUTEC. WALUTEC shall inform the customer immediately about any such events. WALUTEC shall ensure that customer's damage shall be as minor as possible.

#### **V. Transfer of Risk, Packaging and Shipment**

1. Transfer of risk shall pass to the customer when the goods leave the factory of the production company, even in case of freight paid deliveries.

2. Transfer of risk passes to the customer with the information of „ready for shipment“ if the customer should be responsible for the delay of shipment.

WALUTEC shall chose packaging and method of shipment at WALUTEC's own discretion, if the Parties have not agreed otherwise. If the customer asks for additional insurance in writing, WALUTEC will insure the goods at the customer's costs against breakage, transport and fire damages.

#### **VI. Reservation of Title**

1. WALUTEC reserves all property rights with respect to the delivered goods, including the extended version of reservation of title, as long as such rights do exist according to the laws and rules of the relevant country. Alternatively, the customer shall ensure that WALUTEC shall have all rights with respect to reservation of title as provided by Swiss law for the safeguarding of WALUTEC 's claims and rights.

## **VII. Liability for Defects / Product Liability**

1. With respect to the rights for cover advertising, which are executed upon the customer's order, the customer bears sole responsibility.
2. Unless specific handover procedures are agreed upon the purchaser shall assay the goods. Notices of defect have to be made immediately after receipt of goods, at the latest 4 working days afterwards, always in writing. In case of hidden defects the aforementioned time span shall be prolonged to 7 working days after the discovery of a hidden defect, at the most up to 6 months after receipt of goods. Notification of defect shall be sent to: WALUTEC GmbH, Teufenerstrasse 3, CH-9042 Speicher/AR.
3. In case a notice of defect is justified, WALUTEC shall – at its own discretion – either repair the defect or deliver a new product cost-free. If WALUTEC should not keep to the aforementioned obligations within reasonable time, the customer shall be entitled to withdraw from the contract or reduce the contract price. All other claims shall be excluded. Defective parts which have been replaced shall be sent back to WALUTEC at WALUTEC's cost if WALUTEC asks for such return.
4. Any national product liability claims remain untouched.
5. Excluded from any warranty are defects and damages for which WALUTEC is not answerable for, such as: Wear and tear caused by operation, normal abrasion, excessive workload and use of inappropriate working materials, extreme environmental impact, incorrect assembly work, unauthorized reworking, improper storage/parking of the shopping carts or defective treatment and maintenance, namely defective control and replacement of EIWAL<sup>®</sup> covers. The customer shall be entitled to repair defects and ask for a reasonable compensation of costs only if such repair is necessary to prevent unreasonably large damages.
6. Liability ceases in case of utilisation of items not delivered by WALUTEC such as installation materials, spare parts or covers.

## **VIII. Duty to inform**

Both parties shall provide timely notification to the other party of any special technical requirements or legal, administrative and other regulations at the place of destination insofar as these are significant for the properties and use of the products.

## **IX. Conditions of Payment**

1. All payments have to be made in the agreed currency exclusively to WALUTEC.
2. The payment conditions are fixed in the binding offers. If prepayment is required, no production times are planned before receipt of payment.
3. In case of late payment the customer has to pay interest in the amount charged by WALUTEC's bank for open account credits.

4. If there should be any reasonable doubts with respect to the customer's solvency, all of WALUTEC's claims shall become due immediately. Additionally, WALUTEC shall be entitled to request prepayment and withdraw from the contract in case of non-payment after a period of grace of 20 days and ask for damages for non-performance.

#### **X. Intellectual Property rights**

1. The customer shall be liable that deliveries and performances ordered from WALUTEC are free from any third party rights. Additionally, the customer shall indemnify WALUTEC from all relevant third party claims and shall be liable for all possible damages deriving from third party claims if such rights should be violated.

2. WALUTEC's documents of construction, design models, artworks, etc. remain in WALUTEC's sole property and may only be used or passed on with WALUTEC's written consent. If a contract should not be concluded due to the customer's fault, WALUTEC shall have the right to receive an adequate compensation of at least 5% of the value of the goods for all advance performances already made by WALUTEC.

#### **XI. Place of Performance, Applicable Law and Place of Jurisdiction**

1. Place of performance shall be CH-9042 Speicher / AR (Switzerland).

2. Swiss substantial law, especially the "Swiss Code of Obligations" (OR), shall be applicable. Explicitly excluded are all international, bilateral and multilateral agreements of Switzerland with third countries. The latter are not applicable to this contract.

3. Sole place of jurisdiction shall be CH-9042 Speicher / AR (Switzerland).

Speicher / AR, August 2011

**Addendum dated December 2011:** The relevant language of these General Conditions of Sale is German. Translations established by WALUTEC GmbH are only courtesy translations.