

General Terms and Conditions of Sale of BONECO AG

I. General

1. The following General Terms & Conditions of Sale shall govern each contract under which BONECO AG (hereinafter "we" or "us" or "our") sells goods to the Customer. However, individual agreements concluded in writing between BONECO AG and the Customer shall prevail these General Terms & Conditions of Sale.

2. General Terms and Conditions of the Customer are not accepted by us.

3. Our offers shall be non-binding unless expressly stated as binding.

4. Verbal explanations and representations by our staff, vicarious agents or other representatives only become part of the contract upon our written confirmation.

II. Prices

1. The prices are understood and shall be paid in CHF for delivery "ex works" Widnau (Incoterms 2010), excluding packaging and Value Added Tax.

2. Should cost factors, e.g. cost of raw materials, change considerably up to 6 weeks after our offer has been made or order confirmation has been sent out, then we are entitled to an appropriate adjustment of the price offered or agreed.

3. In case of follow-up orders, previous price agreements shall not be binding.

III. Conditions of Payment

1. Payments shall be made in the currency agreed (see II.), via bank transfer, within 30 days of the date of invoice without deductions. In international sales we are entitled to make any delivery dependent on a Letter of Credit issued by a first class bank, which will be handed over to us before delivery.

2. The Customer may set off our claims against his own claims only if his claims are both, undisputed and due.

3. If the agreed payment deadline is exceeded, the rate of interest on late payments shall be 2% per quarter, unless we are able to prove higher costs of refinancing.

4. If the Customer has repeatedly disregarded payment terms or if circumstances are brought to our attention that, at our discretion, justify serious doubts about the creditworthiness of the Customer, we are entitled to make future supplies dependent on the receipt of prepayment or on appropriate collateral or guarantee.

IV. Delivery Time

1. Our timely delivery is dependent on correct and punctual deliveries of our suppliers. Additionally, timely delivery of the goods is dependent on the Customer's compliance in a timely manner keeping to all of his obligations under the contractual relationship, e.g. obtaining the necessary official certificates and permissions, release of the goods' design by the Customer if applicable, and payment of all open and due invoices.

2. In case of late delivery, Customer shall fix an appropriate time limit for subsequent performance. The right to terminate the contract due to late delivery is excluded. Damages suffered by Customer due to our late delivery shall only be compensated, if the delay in delivery is attributable to our intent or gross negligence.

3. If the Customer is late in fulfilling his own contractual obligations, BONECO shall no longer be bound to the delivery date. The Parties shall agree a new delivery date in good faith. If the Parties fail to negotiate a new delivery date, the previously agreed delivery date shall be extended appropriately.

4. Exceeding the agreed delivery time due to acts of God, labour disputes or other circumstances outside of our influence entitles us to an appropriate delivery time extension. In such case and with regard to the non-fulfilled part of the contract, we are entitled to withdraw from the contract regarding the non-fulfilled part, even if the aforementioned circumstances arise during the delay or with a supplier. In such case we will not be liable for damages or losses of the Customer.

V. Delivery terms, Freight, Packaging

1. The goods shall be delivered "ex works" Widnau (Incoterms 2010).

2. If the Customer does not immediately accept the delivery of goods after the obligation to deliver the goods becomes due, we are entitled to charge the Customer for storage expenses, without prejudice to other rights available by law, such as sale of the goods to third parties.

3. In case of default of acceptance by the Customer, we reserve the right to cancel the contract – either in whole or in part – and/or to claim payment of damages.

4. Upon written request of the Customer, the goods shall be insured, at his expense, against the risks specified by the Customer.

VI. Retention of Title

1. The goods shall remain our property until they have been fully paid for.

VII. Warranty for Defects

1. Any and all information and data relating to the specification of the goods or a sample of the goods shall not be deemed to warrant that particular quality, unless we have expressly confirmed in our order confirmation certain characteristics of the goods as warranted qualities. Above all any information and data in advertising documents shall not be regarded as warranted qualities.

2. The Customer has the obligation to inspect the goods upon delivery with due care. Defects have to be claimed in writing by the Customer immediately after such inspection. Should the Customer, in spite of the foregoing, not inspect the goods, then the goods shall be considered to have been approved, if the defect could have been detected after inspection.

3. The warranty period shall be one year starting with the delivery of the goods to the Customer.

4. We shall comply with our warranty obligation either by providing Customer with substitute goods or by granting an appropriate price reduction. The Customer expressly waives any additional rights, such as the right to cancel the contract or the right to claim damages.

5. Our warranty shall lapse if the Customer or third parties have made unauthorized changes of the goods, in case there has been improper use, if the defect is due to natural wear and tear or to an unsuitable choice of product placement.

6. If BONECO receives drawings, plans or other instructions regarding the production of the goods by the Customer, those instructions are deemed to be correct. BONECO is not obliged to examine the correctness of such instructions and shall therefore not be liable for faulty or wrong instructions.

VIII. Claims for Damages

1. Damage claims against us are limited to direct damages, which we caused intentionally or by gross negligence. In no case shall we, within the limits of the law, be liable for indirect or consequential damages or loss of profits.

IX. Know-How, Confidential Information, Data Protection

1. The Customer shall not make use, neither for himself nor for third parties, of any of our know-how and any confidential information, which he has received from us in the course of the negotiations or performance of the contract, in particular of documents handed over to the Customer by us. However, this obligation may be waived by us in a prior written statement. The Customer shall bind his employees to the same obligations regarding confidential information.

2. Both we and the Customer agree not to divulge to third parties confidential information that has been received by the other party. This obligation shall survive the termination of the current agreement between the Parties by 5 years.

3. Documents handed over by us may not be copied by the Customer without our prior written consent. After the termination of the contract, the Customer has to return them without delay and delete electronically recorded documents.

4. Any personal data which is made available to us by the client will be processed in accordance with the applicable data protection laws. Personal data will only be procured, stored, used or transferred with the client's consent or if permitted by law. Any processing of personal data based on legal permission will particularly take place within the scope of fulfilling contractual obligations. For further details regarding the processing of personal data, reference is made to our privacy statement at www.boneco.com.

X. Miscellaneous

1. Customer shall not transfer any rights based on this contract to a third party without our prior written consent.

2. Both the contract and all orders and deliveries based on the contract shall be governed exclusively by the substantive law of the country in which we have our seat.

Neither the conflict of laws rules of that specific country nor the United Nations Convention on Contracts for the International Sale of Goods (Vienna Convention of 1980) shall apply.

3. Legal Venue of disputes shall be the court of law at our seat.

Additionally, we reserve the right to take the Customer to court at its seat or residence.

4. Contract amendments shall not be valid unless done in writing.

5. Should one or more contract provision(s) be or become invalid, this invalidity shall not be constructed as affecting the validity of the whole contract. The invalid provision(s) shall be replaced so that the new text is both valid and its meaning as close as possible to the meaning of the provision(s) replaced.

6. "in writing" and "written" mean a record of information (including information communicated by teletransmission) which is in tangible or other form and is capable of being reproduced in tangible form on a subsequent occasion.