

General Conditions of Business

1. Application

All sales and supplies by SIT System Integration Technology AG (Ltd.) (SIT AG) are entirely subject to these conditions. The Swiss Code of Obligations is also applicable as a supplement. These conditions are also applicable for all future business relationships even when such is not again expressly agreed. The possible invalidity or the non-applicability of any of these individual conditions, will not affect the validity of the remaining conditions. Side arrangements, divergent or supplementary agreements as well the conditions of business of the purchaser, are to require the written recognition of SIT AG and/or a written agreement, otherwise such obtain no effectivity without even a contradiction on the part of SIT AG being necessary.

2. Offers, Tenders and Conclusions of Contracts

Indicative price offers and tenders represent no legally binding offering because these are mostly based upon general indications. An order is only legally binding upon the issuing of an order confirmation by SIT AG. Verbal accords only become valid when confirmed in writing. The offers and tenders of SIT AG are confidential and may only be made known to those persons who actually process orders.

3. Technical Drawings, Schematic Diagrams and Descriptions

All the accompanying documentation such as drafts, layouts, calculations, technical drawings, descriptions and schematic diagrams remain in the ownership of SIT AG. Such may not be copied or passed to third parties without the consent of SIT AG. Sketches of the plant and equipment, schematic diagrams of manufacturing designs and working principles are to be considered as drafts and are not legally binding for the overall functioning of the plant and equipment. All sketches and schematic diagrams are to be adjusted to meet local statutory requirements by the licensed agent before completion of the works.

4. Subsequent Alterations

Should the documentation provided by the purchaser fail to correspond with the actual circumstances, or should SIT AG not be informed of circumstances, which require other materials or an alternative design, then the cost of any alterations are for the account of the purchaser.

5. Prices and Conditions of Payment

Unless otherwise agreed, the prices are net in Swiss Francs excluding value-added tax, transportation charges, insurances and customization. Payment is to be made within 30 days of date of invoice without any deductions. After the expiry of the time period for payment, interest on arrears of 5% will be charged without further reminder.

6. Supplies and Time Periods for Supply

Unless otherwise agreed, supplies are ex works Montlingen, Switzerland. SIT AG will endeavour to keep to the time periods indicated for supply, but cannot give any legal warranty in this regard. This applies in particular to cases of Act of God (force majeure) and strikes. Force majeure is considered to be the occurrence of grievous circumstances for which SIT AG cannot be held responsible, such as for example the entire closing down or partial shutdown of the works of supply, conscription, outbreak of war, insurrection, fire, import or export prohibitions or a considerable increase in import customs duties.

SIT AG binds itself to inform the purchaser with immediate effect of any delay in the desired date of supply mentioned in a contract, but such date of supply is not to be considered a contractually fixed due-date deadline unless otherwise expressly agreed in writing in a contract. Compliance with the time periods for supply however also presupposes that the purchaser fulfils all contractual obligations within the indicated time periods, such as the provision of specifications and down payments.

7. Warranties

When no particular warranty conditions are given in a confirmation of order, then the following general conditions of warranty of SIT AG will apply:

12 months from date of the acceptance of appliances, plant and equipment and systems

12 months from the date of invoice for supplies of materials

6 months for repairs and replaced appliances.

8. Complaints (Defects)

The purchaser is to give prompt notice to SIT AG of any recognisable defects within 8 days of delivery. In cases of hidden defects discovered after the expiry of the 8 days, notice is to be given immediately upon discovery, but within 6 months at the latest of receipt of the goods. The failure to give notice of defects will be considered as an acceptance of the supply. Supplies displaying any transportation damage are to be accepted under reservation and notice given to the relative carrier with immediate effect for purposes of recording the facts of the case and for maintaining all rights. SIT AG is entitled, after the receipt of a complaint to inspect the goods on its part. In the meantime, the purchaser is to provide access and proper storage.

9. Product Liability

The professionally skilled installation, commissioning and correct use according to the instructions for SIT AG products are preconditions for proper employment and represent the basis for any loss- or damage indemnities under the product liability legislation.

10. Retention of Ownership Rights

SIT AG retains ownership rights in the goods supplied until receipt of full corresponding payment.

11. Applicable Law, Places of Performance, - Sequestration and -Jurisdiction

Only the Swiss law is applicable to contracts concluded with SIT AG. Unless otherwise expressly agreed in writing, the place of performance for all contractual duties is the place of the registered office (corporate domicile) of SIT AG in CH-9462 Montlingen, Switzerland. The purchaser with a registered office (corporate domicile) abroad, recognises the registered office (corporate domicile) of SIT AG in CH-9462 Montlingen, Switzerland as the place for sequestrations. The place of jurisdiction for all disputes under the business relationship with the purchaser is the court of law competent for the place of the registered office (corporate domicile) of SIT AG in CH-9462 Montlingen, Switzerland. SIT AG is however entitled to sequester or litigate against the purchaser at any other statutorily provided place.