



## **1 Exclusive application**

1.1 These General Terms of Purchase shall apply to corporate procurement. Subject to derogations in written agreements, they shall exclude any terms and conditions used by the supplier and shall apply to all orders placed by Jakob Müller AG, Frick, Switzerland (JMF).

1.2 In addition to the provisions of these General Terms of Purchase, both parties shall only be bound to agreements made in writing (letter/fax/email).

## **2 Offer**

2.1 An enquiry invites the supplier to make a written offer free of charge. By submitting a written offer, the supplier is also acknowledging the feasibility of the order. Derogations from the enquiry must be clearly indicated. The scope of delivery is solely determined by JMF's written order. If the supplier has not indicated how long the offer is valid for, it shall be deemed to be 90 days.

## **3 Order, confirmation and contract**

3.1 Orders and requests for services in a framework agreement are only binding if JMF issues such in writing and if confirmed by the supplier in writing on the order duplicate. The order duplicate signed by the supplier is to be returned to JMF within five working days. The contract becomes legally binding when the order duplicate signed by the supplier is received by JMF.

Oral agreements and agreement made by telephone, amendments, supplements and specifications must be acknowledged in writing by both parties in all cases to become valid.

3.2 If the supplier recognises errors or uncertainties relating to the order, in particular with reference to feasibility, amounts, price or date, it shall draw attention to these without delay.

## **4 Prices**

4.1 Unless otherwise agreed, prices indicated are fixed prices. Additional costs incurred for part or express deliveries will only be accepted if caused by JMF and agreed in writing.

## **5 Executing the order**

5.1 Generally, the supplier acknowledges its ability to deliver the defined goods by means of an initial sample delivery. This not only comprises the number of initial sample parts ordered, which can be clearly quantified in results, but also a full and complete initial sample report, guidelines of which JMF has provided. After the initial sample has been accepted and approved, the supplier shall commit to using the same type of materials, processes and purchased parts for future deliveries.

5.2 In the absence of technical specifications, or material/quality guidelines, any issues that are still outstanding are to be clarified in writing with JMF prior to carrying out the order.

5.3 Changes in starting/raw materials, the production process, upstream suppliers or to the production plant used may only be made when the supplier receives the prior written consent of JMF. This consent will be based on the delivery of five sample parts free of charge, together with documented results contained in JMF's initial sample report. The same applies to initial orders, or if the last order is more than 36 months old.

5.4 The supplier shall comply with all laws and regulations applicable to the product (for example, the Machine Directive / German Machine Ordinance (*Maschinenverordnung*), the Electromagnetic Compatibility Directive, RoHS, WEEE,

REACH) and transfer the prescribed declaration of conformity and the related documentation. All engineering materials shall comply with recognised engineering regulations and health & safety and accident prevention regulations and have to be equipped with safety features against accidents and occupational illnesses.

5.5 Working with sub-contractors and upstream suppliers does not absolve the supplier from its exclusive responsibility for the whole order.

5.6 When executing the order, the supplier shall comply with regulations governing quality assurance pursuant to the current version of ISO 9001.

5.7 The supplier shall also provide a written declaration of the origin of the goods pursuant to customs law (certificate of origin) containing all the details required and duly signed. This certificate is to be forwarded to JMF no later than with the first delivery. The supplier shall inform JMF without delay should the delivery, or part thereof, be subject to export restrictions in accordance with national or any other law.

5.8 Should the product deviate from defined specifications, JMF shall reserve the right to invoice a processing fee of CHF 150.00 regardless of any other claims it may be entitled to.

## **6 Delivery times and the consequences of delays**

6.1 Delivery shall be executed at the agreed date (fixed date) and at the named place of destination.

6.2 The supplier shall report any anticipated delays in good time.

6.3 The supplier may only cite the absence of any documents, objects or single parts required for the delivery that are to be provided by JMF as the reason for the delay if the supplier has requested these in good time. In this case the delivery time will be correspondingly extended.

6.4 If the supplier can see in advance that the delivery time cannot be adhered to, JMF is entitled to withdraw from the contract and waive delivery. In such cases, the supplier is not entitled to any compensation.

6.5 Overdeliveries presuppose JMF's prior consent. If the supplier manufactures on site, without a corresponding order, JMF is not obliged to accept the goods.

6.6 Deliveries prior to agreed dates require the prior consent of JMF. Without such consent, JMF is entitled to return the goods delivered early to the supplier at the latter's cost and risk, or shall store the goods at an external location until the original date of delivery and shall postpone payment of the supplier's invoice until the agreed date of delivery.

## **7 Transport, transfer of risk, insurance and packaging**

7.1 Use and risk are transferred when the goods are delivered to the named place of destination and are specified by INCOTERMS when the contract is drawn up.

7.2 Additional costs incurred due to partial deliveries or freight surcharges (e.g. express deliveries) as a result of delays in delivery will only be accepted if they were caused by JMF and were consented to in writing in advance.

7.3 The supplier is fully responsible for the proper packaging of the goods. Packaging has to be capable of effectively protecting the goods against damage and corrosion during transport and during any short-term storage of up to 60 days. The supplier is liable for all damage arising from improper packaging, customs clearance and non-performance of transport instructions.

7.4 A delivery note is to be included in each shipment. This should clearly identify the goods delivered and the shipper and should enable the goods to be handled properly.

## 8 Disposal

8.1 If the goods delivered contain hazardous materials as determined by law, the supplier guarantees that JMF can return the goods.

8.2 For all shipments, JMF is entitled to return packaging, lashings, etc. to the supplier free of charge for proper disposal.

## 9 Warranty and complaints

9.1 Warranty covers a period of two years from the receipt of the goods. JMF expects the goods delivered to be faultless in quality and is not obliged to check the suppliers' goods for defects at delivery, nor to make spot checks. Notification of defects can be given at any time during the whole warranty period prior to and/or after processing and/or after re-sale. Notification of defects is to be given as soon as the defects become known. If goods are found to be defective during the warranty period, JMF is free to demand that contract be terminated, a reduction in the invoice or that the defects be remedied by the supplier itself or by a third party. JMF is also entitled to call for other goods corresponding to the order, either with or without claims for damages. JMF may apply this uniformly to the whole order or for specific parts of the order. If defects are to be remedied or a replacement delivery made, the warranty period shall begin again. In addition, JMF is to receive compensation for each damage arising in connection with the defects.

9.2 JMF is entitled to pass on to the supplier all costs and expenses incurred by downstream customers in connection with warranty coverage for damaged and/or defective goods delivered by the supplier.

9.3 The supplier shall ensure that goods delivered - printed circuit boards, plastic parts and for all parts demanded in the product specifications - can be traced. Upon request, JMF shall be allowed to inspect all production documents. If an error is discovered, it must be possible to trace back the goods that thus to limit the amount of damaged parts/products in circulation.

9.4 The supplier acknowledges that no protected or other rights of third parties will be infringed by the use or supply of the goods delivered. In this sense, the supplier shall indemnify and hold JMF free of legal action and shall do everything to render the use of the service possible.

## 10 Confidentiality

10.1 All specification, drawing, orders, etc. which JMF provides to the supplier for the manufacture of the goods to be delivered may not be used for any other purpose and may not be duplicated or disclosed to third parties. JMF is entitled to any copyrights. Upon request, all images and copies are to be returned to JMF without delay. If delivery is not effected, the supplier shall return all copies to JMF without being requested to do so.

10.2 Publications used for advertising purposes in which JMF, the logo or JMF products are either mentioned or graphically represented require the prior written consent of JMF.

10.3 Sub-contractors and upstream suppliers deployed by the supplier must be obliged to maintain the same level of confidentiality as the supplier itself. Should sub-contractors and upstream suppliers infringe their duty to maintain confidentiality, the supplier shall be held jointly and severally liable with the sub-contractors and/or upstream suppliers.

## 11 Inspection rights and work at JMF

11.1 JMF is entitled to control the execution of its orders. This shall not change or restrict the supplier's duty to fulfil its performance in accordance with the contract. After giving advance notice, JMF is entitled to carry out quality audits at the supplier's or at its upstream supplier's

11.2 For work carried out on JMF's premises or on behalf of JMF, general and local security measures are to be followed in addition to these General Terms of Purchase.

## 12 Terms of Payment

12.1 Unless otherwise agreed, payment is to be made either net 30 days after receipt of the goods and invoice, or 14 days after receipt of goods and invoice at a discount of 2%; JMF reserves the right to offset counterclaims.

12.2 The supplier is not entitled to assign receivables against JMF to third parties.

## 13 Place of performance and jurisdiction

13.1 The place of performance for shipments and payment is Frick, Switzerland.

13.2 Any legal case arising from this agreement is to be heard in Frick, Switzerland.

13.3 Swiss law shall apply under the exclusion of the provisions of the United Nations Convention on Contracts for the International Sale of Goods (Vienna Convention).

13.4 Should a provision of this document be or become invalid, this shall not affect the validity of the other provisions. These General Terms of Purchase replace all previous versions.

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