GENERAL PURCHASE CONDITIONS OF AOC AG FEBRUARY 2020

1 General
1.1 These General Purchase Conditions ("Conditions") govern the requests for proposals, offering, sale and delivery of all products, materials, liquids, equipment, design, software, rental, properties, stored goods, including all related documentation as specified in the Purchase Order (herein referred to as: the "Goods"). "Services" will be services and pertaining deliverables, including all related documentation and instruction regarding the proper use of the Services. A Purchase Order is the order issued by or on behalf of AOC AG (the "Customer") and apply to all similar dealings between the Customer and the Supplier. The Supplier is the person or entity that enters into an agreement with Customer.

1.2 These Conditions, together with the relevant Purchase Order issued by Customer, set forth the terms and conditions for the delivery of Goods by Supplier to Customer and will be binding to parties at Supplier’s acceptance (the "Agreement"). Any changes by Supplier are binding only, if accepted by Customer in writing. Performing of any part of a Purchase Order by Supplier will operate as Supplier’s unconditional acceptance thereof.

1.3 By contracting on the basis of these Conditions, Supplier agrees to the applicability thereof in respect of future dealings as described in article 1.1, even if this is not expressly stated. Customer shall be entitled to update and/or amend these Conditions regularly and by and as of the moment of notifying Supplier of such update or amendment or by sending Supplier the updated or amended Conditions, these revised Conditions shall apply to all dealings between Supplier and Customer.

1.4 Supplier and Customer agree that valid, enforceable and binding obligations may result from electronic means of communication. Any electronic communication between Supplier and Customer shall be considered to be a “writing” and/or “in writing”.

2 Prices
2.1 Supplier shall deliver the Goods against the prices and currencies of the Goods as set out in the Agreement.

2.2 Unless expressly stated to the contrary, prices are (i) fixed and firm (ii) exclusive of any Value Added Tax but (iii) inclusive of all other taxes, duties, levies, fees (including license fees), charges and inclusive of all costs.

2.3 To the extent Services are supplied at a reimbursable basis, Supplier shall keep records of all costs, expenditures and hours worked and shall provide Customer access thereto.

3 Payment
3.1 Unless expressly stated otherwise in the Purchase Order, payment shall be made within ninety (90) days following receipt of Supplier’s invoice for the Goods by means of transfer into the bank account mentioned on the invoice.

3.2 Customer may authorize any other company to effect the payment due by Customer. Such payment shall discharge Customer from its respective payment obligation towards Supplier. In case an invoice is under dispute, Supplier has no right to postpone its obligations. Customer has the right to set off amounts it owes to Supplier or any of its affiliates, against amounts which Supplier or any of its affiliates owes to Customer or any of its affiliates.

4 Delivery, Inspection and acceptance
4.1 Supplier guarantees that it will supply without delay and interrupt the Goods and/or Services as stated in the Agreement. Supplier shall immediately notify Customer of any foreseeable delay.

4.2 The implementation of any and all changes of and/or improvements related to the Goods and/or (performance of the) Services including (business) processes, (raw) materials (including supply source) and/or any other changes that might affect the specifications of the Goods and/or the Services require the prior written approval of Customer. Supplier will inform Customer well in advance of such changes and will enable Customer to control and test the Goods.

4.3 Unless explicitly agreed otherwise, the Goods shall be delivered according to Incoterm DDP site Customer.

4.4 Delivery shall be effected in adequate packaging. Costly and re-usable packaging shall be taken back by Supplier. Supplier shall timely provide Customer with (copies of) all applicable licenses, documents, information, specifications and instructions necessary for safe and proper transport, use, treatment, process and storage of the Goods and with all certificates of analysis/conformity as customarily supplied. If applicable, stored Customer’s Goods will be redelivered in the original quantity, state and condition.

4.5 Supplier ensures that Customer or its nominee has the opportunity to inspect the Goods or the manufacturing process of the Goods and/or any place where the Services or part thereof may be carried out.

4.6 Supplier diligently and continuously controls and tests the quality of the Goods and Services as well as the operations during manufacturing, storage and delivery.

4.7 Supplier shall ensure that Customer, or its nominee, has the opportunity to attend tests and/or inspect the Goods at any time.

4.8 Inspection and/or testing does not relieve Supplier of any obligation or liability under the Agreement.

4.9 Customer is entitled to reject any Goods, which are delivered (i) not at the agreed time, (ii) not in the agreed volume and/or quantity, (iii) in inappropriate or damaged packaging or (iv) with other defect(s), for risk and account of Supplier and without prejudice to Customer’s right to compensation for the losses and damages suffered as a result of Supplier’s non-compliance.

4.10 Supplier shall properly and timely instruct Customer of any special use or treatment regarding the Services.

4.11 Only written confirmation of acceptance shall constitute acceptance of the Services performed.

4.12 Inspection, testing, acceptance or payment does not release Supplier from its obligations and warranties.

5 Transfer of risk and property
5.1 The title of the Goods shall pass to Customer on delivery at the delivery point as stated in the Agreement. However, if Customer pays for any Goods prior to delivery, title shall pass to Customer upon payment.

5.2 The title and risk of Goods under a rental service agreement remain with Supplier. The title of stored Customer’s Goods under a warehousing agreement remain with Customer. The risk of such Goods is transferred to Supplier at acceptance of the Goods and ends after delivery of these Goods to Customer.

5.3 Supplier shall identify and store any raw materials and semi-finished goods allocated for the manufacture and or production of the deliverables and the finished deliverable itself. The risk of such goods remains with Supplier until acceptance thereof.

5.4 Supplier shall further take all measures to ensure that Customer’s title is in no way prejudiced.

6 Warranty
6.1 Supplier warrants the proper functioning of the Goods and warrants that the Goods will be in conformity with the specifications and requirements, be unused, of good materials and workmanship, free from any and all defects and from any and all liens and encumbrances, pledge or right of retention and suitable for the intended purpose. These warranties shall not be deemed to exclude warranties and/or rights that Customer may have or obtain and shall extend to Customer and its customers.

6.2 Supplier shall promptly repair or replace any and all Goods within a period of 2 years after the date of acceptance or the date of first operational use, whichever date is later. Repaired or replaced Goods or parts will be warranted for another period of 2 years from the repair or replacement date. If requested, Supplier shall as far as possible leave these goods in free use with its user until Supplier has delivered Goods in replacement. The warranty period shall be extended by any period(s) during which the Goods have been out of operation.

6.3 Supplier warrants the quality and the results of the Services. Supplier shall perform the Services in accordance with the requirements and specifications of the Agreement, observing due skill and care, using proper and well maintained materials and employing sufficiently qualified staff.
Liability and Insurance

7.1 Supplier shall be liable and hold Customer and their directors and employees ("Indemnified Parties"), harmless from and indemnify them against any and all actual or contingent damage, loss, injury/death, costs and claims suffered by or brought against Indemnified Parties, resulting from or connected with the Agreement, the use and/or sale of Supplier’s Goods by Indemnified Parties or any third party, the performance of the Services and the deployment of Supplier’s Services by Indemnified Parties or any third party, except to the extent that this is caused by Customer’s wilful misconduct or gross negligence.

7.2 Supplier is fully liable for the correct and timely payment of all taxes and levies indebted in connection to the performance of the Agreement and will indemnify Indemnified Parties against all claims and damages relating to its obligations concerning taxes, contributions and any claims of third parties, including the Government.

7.3 In no event shall Customer be liable for any direct and indirect damages (including but not limited to lost revenue, lost profits or other consequential or incidental damages) based upon the Agreement even if Customer is advised or otherwise aware of the possibility of any such damages.

7.4 The Supplier shall take out and maintain the insurance policies to cover the risks resulting from or connected with the Agreement. At the request of the Customer, Supplier will provide the insurance certificates evidencing Supplier’s coverage and keep Customer informed of any changes.

8 Force majeure/Hardship

8.1 Neither party shall be liable towards the other party for any non-fulfilment of the Agreement to the extent fulfilment thereof has been delayed, interfered with or prevented by an event entirely beyond the control of the party concerned, was not for its risk and not reasonably foreseeable ("Force Majeure"), provided that the party invoking Force Majeure shall use its best efforts to fulfil its obligations by any means possible. The mere fact of late supply of materials, labour or utilities shall not be deemed Force Majeure. If a Force Majeure event causes the Supplier to reduce the production of the Goods, the Customer will be treated as a preferred customer. In case a situation of Force Majeure continues for more than 30 days, Customer shall be entitled to (partly) terminate or cancel the Agreement by written notice. Customer may purchase similar goods and/or services from third parties during any period Supplier is unable to fulfil its obligations. The quantities affected shall be excluded from the calculation from any (minimum) volumes.

9 Compliance with laws and standards

9.1 With regard to chemicals supplied under the Purchase Order within or into the European Union, Supplier herewith confirms that it is fully aware of EC Regulation No. 1907/2006 on Registration, Evaluation, Authorization and Restriction of Chemicals ("REACH"). To the extent that any Goods or any of its substances fall within the scope of REACH, Supplier confirms and represents that the Goods or any of its substances, are fully compliant with the requirements of REACH. Supplier will provide the (pre-) registration number(s) to Customer. To the extent Goods or any of its substances fall within the scope of other chemical control regulations, Supplier confirms and represents that the Goods or any of its substances, are fully compliant with these regulations.

9.2 Supplier agrees to comply with the Customer’s Code of Conduct which can be found at Customer’s website or will be sent at request.

9.3 Supplier complies with and acts in accordance with all applicable safety, health and environmental instructions, avoid pollution of the soil and the groundwater, limit air and noise pollution on the Customer site, comply with site and site access regulations as well as AOC (network) security regulations. Supplier must arrange for proper and safe transport and equipment, as well as skilled and qualified staff, able to speak the local languages of the customer and/or English, to work in a safe, healthy and environmentally responsible manner. Customer may audit these aspects of this Agreement. Supplier shall report any irregularity with respect to safety, health and environment and security. In case of an incident Supplier shall, under supervision of Customer, immediately take all measures to clean up, isolate or prevent pollution resulting from such incident.

9.4 The Customer owns the right to its data as data controller, and the Supplier acts as data processor. All processing by Supplier of the personal data and other data provided by Customer shall be in accordance with the applicable laws, including but not limited to Regulation (EU) 2016/679 on the protection on natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation, "GDPR"). The Supplier’s processing of personal data on behalf of Customer shall therefore only be done in order to perform its obligations under the Agreement and shall be subject to the Customer’s written instructions. Any other processing is strictly prohibited. Customer may require the Supplier to sign a data processor agreement, substantially in the form as provided by Customer. The Supplier shall give immediate notice to Customer if a breach of the data security occurs, that can lead to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of or access to, personal data transmitted, stored or otherwise processed on behalf of Customer.

10 Independent contractors

10.1 Supplier and Customer are independent contractors, and the relationship created hereby shall not be deemed to be that of principal or agent. No sale to or obligation of either party towards a third party shall in any way bind the other party.

11 Non-assignment

11.1 Neither party may assign any of the rights or obligations under the Agreement without the prior written consent of the other party, provided however, that Customer may assign such rights and obligations, wholly or partly, to any of its parent companies, subsidiaries or affiliates or to a third party acquiring all or a substantial part of Customer’s assets or business relating to the Goods.

12 Suspension and termination

12.1 If (a) Supplier is in default of performance of its obligations towards Customer, or (b) if Customer has reasonable doubts with respect to Supplier’s performance of its obligations to Customer and Supplier fails to provide to Customer adequate assurance of Supplier’s performance before the date of scheduled delivery and in any case within thirty (30) days of Customer’s demand for such assurance; or if Supplier becomes insolvent or unable to pay its debts as they mature, or goes into liquidation (otherwise than for the purposes of a reconstruction or amalgamation) or any bankruptcy proceeding shall be instituted by or against Supplier or if a trustee or receiver or administrator is appointed for all or a substantial part of the assets of Supplier or if Supplier enters into a deed of arrangement or makes any assignment for the benefit of its creditors, then, without prejudice to any other rights of Customer, Customer may by notice in writing forthwith:

a) return of any delivered Goods against full repayment; and/or
b) suspend its performance or terminate the Agreement;

without any intervention of courts being required and without liability for Customer of whatsoever kind arising out of or in connection with such suspension or termination.

13 Waiver

13.1 Failure by Customer to enforce at any time any provision of these Conditions shall not be construed as a waiver of Customer’s right to act or to enforce any such term or condition and Customer’s rights shall not be affected by any delay, failure or omission to enforce any such provision. No waiver by Customer of any breach of Supplier’s obligations shall constitute a waiver of any other prior or subsequent breach.

14 Severability and conversion

14.1 In the event that any provision of these Conditions shall be held to be invalid or unenforceable, the same shall not affect in any respect whatsoever, the validity or enforceability of the remaining provisions between the parties and shall be severed therefrom. The pertaining provisions held to be invalid or unenforceable shall be reformed to provisions satisfying the legal and economic intent of the original provisions to the maximum extent permitted by law.
Governing law and jurisdiction
15.1 The parties’ rights and obligations arising out of or in connection with Customer’s Confirmation and/or these Conditions shall be governed, construed, interpreted and enforced according to the laws of Switzerland, excluding principles of conflict of laws. The applicability of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

15.2 The parties agree that any suits, actions or proceedings that may be instituted by any party shall be initiated exclusively before the competent courts of Zurich, Switzerland without prejudice to Supplier’s right to submit the relevant case to the court which would have jurisdiction if this provision has not been incorporated in the Conditions, and the parties do hereby consent to the jurisdiction of those courts and waive any objection which they may have, now or hereafter, to venue of those suits, actions or proceedings.

Survival of rights
16.1 The parties’ rights and obligations shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, directors, officers, employees, agents and legal representatives. Termination of one or more of the rights and obligations of the parties, for whatsoever reason, shall not affect the provisions of these Conditions which are intended to continue to have effect after such termination.

Headings
17.1 The headings contained in these Conditions are included for mere convenience of reference and shall not affect their construction or interpretation.

Intellectual Property
18.1 Any and all information, property or materials disclosed to Supplier remains the property of Customer. Supplier is not entitled to make use of or refer to any trademark, trade name, domain name, patent, design, copyright, or other intellectual property right of Customer or any of its affiliates, unless prior obtained written consent of Customer. Any authorized use shall be strictly in accordance with the instructions and for the purposes specified.

18.2 Supplier warrants that (a) it has good and marketable title to the Goods and deliverables of the services supplied, (b) the Goods and/or Services, alone or in combination, will not result in or give rise to any infringement or misappropriation of any intellectual property right of a third party.

18.3 Supplier hereby assigns by way of present and future assignment all intellectual property rights, know-how, copyrights and other rights developed by or on behalf of Supplier explicitly for or on instructions of Customer.

18.4 All intellectual property rights to software, including source code, sub-software and documentation, developed explicitly for Customer or on Customer’s instructions shall rest with or be transferred to Customer. Intellectual property rights to other software shall remain with Supplier and Supplier shall grant Customer a non-exclusive, non-transferable, irrevocable, perpetual and royalty free license not limited to specific equipment or location. Customer is allowed to provide sub-licenses to its subsidiaries and affiliates.

Confidentiality
19.1 Any and all information provided by or on behalf of Customer shall be treated as confidential until it entered into the public domain and shall only be used by Supplier for the purpose of this Agreement.

19.2 Disclosing information is only allowed to any of its employees or a third party on a strict need-to-know basis, except in case Supplier is required to disclose the information by virtue of a court order or statutory duty, provided that the Supplier shall immediately inform Customer. Supplier shall upon demand promptly return to Customer all such information. Supplier shall not retain a copy thereof. Supplier shall treat the existence of the Agreement as confidential. Supplier or its employees will sign a confidentiality agreement at request.

Only the English version of these Conditions shall be authentic and shall prevail, in case of inconsistency, over any translation of these Conditions in another language.