



1. Applicability

Orders only become binding in respect to nature and scope of the supply when the supplier confirms the order with his order acknowledgement. In the case of a contradiction between the sales confirmation and these General Sales Conditions the content of the sales confirmation prevails.

If there are contradictions between these General Sales Conditions and the orderer's Purchase Conditions it is the obligation of the orderer to start negotiations. Otherwise it is assumed that he accepts these General Sales Conditions. Stipulations other than those written in our General Sales Conditions require our written consent to be valid

2. Prices

The offered prices are not binding; they are given as ex works, without packing and VAT and other taxes or fees. Packing material is charged as surcharge at cost. If cost factors change after proposal submittal it is agreed that prices can change accordingly. This is also true for blanket orders.

3. Payments

For tooling at least 50% at placement of order, the balance immediately after receipt of conform first article samples. For production parts, 30 days net invoice date.

4. Projects and preliminary studies

Projects and preliminary studies including the manufacture of samples and prototypes which are made on request of an interested party remain our property and must not be handed over to a third party unless Parmaco has given written consent to such action. This is also true when the buyer has done his stint. We reserve the right to invoice projects and preliminary studies if three months after presentation of the proposition no order has been received.

5. Delivery time

Delivery times are calculated from the date of written order acknowledgement or the receipt of the agreed down payment respectively. In the case of blanket orders it is up to the supplier whether he wants to produce the whole order in one shot or in partial productions.

If the partial deliveries are not taken off within the agreed time period the supplier

has the right to invoice the partial deliveries and to demand the acceptance of such partial deliveries by orderer within 14 days. After expiry of this time limit the goods are stored at orderer's risk and cost at the supplier's premises. If the number of the ordered but not yet produced parts is not taken off within the agreed period of time the supplier has the right on indemnification.

Without instructions by orderer the supplier will arrange mode of dispatch according to his best judgement.

Indications concerning delivery times are approximate. If delivery times are not met the orderer does not have the right to cancel the contract or to demand compensation. Incidents of force majeure with the supplier or his subcontractors prolongs the delivery time by the period force majeure is in effect. If such force majeure lasts for more than 6 months, either the supplier or the orderer can withdraw from the contract.

6. Short and excess delivery

Short or excess delivery is within 10% of the ordered quantity.

7. Tooling

Tools of all kind with the exception of tools which are made available by the orderer are in any case property of the supplier. Unless otherwise agreed order specific tools are exclusively used for orders of the orderer. In case the orderer requests tool modifications, these will be invoiced separately. If the orderer requests tool changes the delivery schedule will be adjusted accordingly. If within the agreed period of time the agreed quantities are not ordered the supplier has the right to charge not yet covered tooling costs and the orderer has the obligation to pay such costs. If the orderer does not pay deliveries and services rendered by the supplier the supplier is allowed to use the tools otherwise.

8. Storage and maintenance of tools

The supplier stores the tools and maintains them for up to three years after the last delivery manufactured with the tool. On request of the orderer and on his cost the tools are kept and maintained for further two years. After the expiration of five years since the last delivery the



obligation to store and maintain the tool ceases without any consultation.

The supplier is responsible for the preventive maintenance of the tools.

9. Life of tools

Over time and in spite of preventive maintenance the tool can deteriorate with ordinary usage. At this point the supplier will if needed propose to the orderer the revision of the tools. The revision is at the expense of the orderer. Revision is understood to be the work needed to preserve the quality of the finished parts.

10. Quality and sampling

Sampling or first article production is usually initiated upon new orders, material changes or tool modifications. The approved samples become binding for the quality and execution of the future production. The orderer is solely responsible for the correct design and material selection and also for the practical suitability of the product even if the supplier has consulted the orderer in such aspects of the product.

11. Defects and liability

Notices of defects or complaints must be given to the attention of the supplier in writing and within 8 days after receipt of the goods. This time period can be prolonged upon consultation for quality checks. In case a complaint proves justified the supplier will replace the goods at no cost to the orderer. The replacement

can be through rework of the returned goods, by production of new parts or by issuing a credit note for the inferior value.

Further claims of any kind, in particularly for foregone profit or consequential losses are bared. Replaced or credited goods become property of the supplier and must on demand be sent back to the supplier at his cost. Rework on parts without consultation with the supplier and improper handling result in loss of all claim of defects.

12. Trade mark rights and patents

The orderer warrants that the production and delivery of the ordered goods does not infringe on any trade mark rights, patents or any other rights of a third party. The orderer alone assumes liability and compensates damage which may result from infringement of above mentioned rights of a third party.

13. Passage of risk

In any case risk passes over to the receiver at the door of the factory of the supplier. If delivery is postponed due to the action of the orderer he carries all risk starting at the time of cargo readiness.

14. Applicable law, Court of jurisdiction

Court of jurisdiction for all claims which arise from the cooperation of orderer and supplier is the place of incorporation of the supplier. This agreement is governed by Swiss Law.

8376 Fischingen, August 22, 2007

Parmaco
Metal Injection Molding AG