

1. **General**
- 1.1. The following MICRO CRYSTAL AG SWITZERLAND General Purchasing Conditions apply to all purchasing commitments unless other conditions have been agreed upon in writing.
- 1.2. The supplier waives the application of any "General Contractual Conditions" of his own.
2. **Orders**
- 2.1. Legally binding orders can be sent by post, fax, EDI or any other means of data transfer, which meet the requirements of The Swatch Group Ltd. Agreements, made orally or by telephone as well as any changes or additions are only valid, if confirmed by MICRO CRYSTAL AG via the afore-mentioned data transfer methods.
- 2.2. An order can only be completed or partially transferred to a third party with MICRO CRYSTAL AG's prior consent.
- 2.3. Every order must be confirmed within fourteen (14) days from their issue via one of the methods outlined in clause 2.1 unless the delivery takes place immediately. Until confirmation of an order is received, MICRO CRYSTAL AG may withdraw an order at any time.
3. **Prices and Delivery Conditions**
- 3.1. The agreed prices are firm and include all additional charges (e.g. packaging, transport) apart from insurance premiums. Change in prices and corresponding reservations are only binding if and to the extent they are expressly acknowledged by MICRO CRYSTAL AG.
- 3.2. Each delivery shall be invoiced immediately upon shipping. A separate invoice shall be issued for each delivery indicating both VAT and MICRO CRYSTAL AG's order number. Invoices lacking this information are rejected. Registered c.o.d. consignments are not accepted.
- 3.3. MICRO CRYSTAL AG payments are effected irrespective of an examination of the goods upon receipt at their destination. Consequently MICRO CRYSTAL AG payments or partial payments do not constitute acknowledgement of quantity, price or quality. Thus MICRO CRYSTAL AG shall still be fully entitled to legal claims even after payment of goods.
- 3.4. Unless otherwise agreed upon, payments shall be made in accordance with the terms of the order.
- 3.5. Assignment of claims against us as well as setting off against counterclaims is only permitted with MICRO CRYSTAL AG's prior written consent.
4. **Documents, Drawings, Tools, Models and other aids**
- 4.1. Documents, drawings, tools, models and other aids that MICRO CRYSTAL AG makes available to the supplier or produces at its own costs shall remain MICRO CRYSTAL AG's property.
- 4.2. The afore-mentioned aids and documents are not to be made available to third parties and to be used for no other purpose but completing our order. The aids and unused materials are to be returned intact to MICRO CRYSTAL AG at any time upon MICRO CRYSTAL AG's request, at the latest, however, upon delivery of the goods, or – if expressly agreed – be stored by the supplier until revoked.
- 4.3. As long as the MICRO CRYSTAL AG order concerns the individual manufacture of small parts and components in the sense of a contract for work (Art. 363ff. OR), all design and development results belong to MICRO CRYSTAL AG and can be used by MICRO CRYSTAL AG exclusively. Designs and developments cannot be made available – without previous written consent – to any third party either in whole or in part, nor be used for own or other purposes.
5. **Deliveries**
- 5.1. The dates and period of deliveries agreed by MICRO CRYSTAL AG shall be binding (this also applies to part deliveries. They shall be regarded as observed if the goods arrive at their destination prior to the expiry of the dates and periods fixed).
- 5.2. Delivery default is applicable without prior notification.
- 5.3. In the event of a delay regarding deliveries, MICRO CRYSTAL AG reserves the right to claim compensation for damages, cancel the order or request a reduction in the volume order where article 5.5 is not applicable.
- 5.4. MICRO CRYSTAL AG does not have to accept early deliveries. If MICRO CRYSTAL AG accepts early deliveries the costs stemming from this action (e.g. storage) can be set off against the purchase price. Times fixed for payment are only calculated from the agreed delivery date despite an early delivery.
- 5.5. In the event of goods not being delivered on time, MICRO CRYSTAL AG reserves the right to deduct 4% off the total of the invoice per week, maximum being 12%. If the delay exceeds 3 weeks the possibilities outlined in article 5.3 come into force.
6. **Performance**
- 6.1. Unless otherwise agreed, the place of performance for the delivery is the destination stipulated by MICRO CRYSTAL AG.
- 6.2. Upon delivery of the goods at their destination benefit and risk are transferred to MICRO CRYSTAL AG.
- 6.3. Every delivery shall contain a detailed delivery note with the following details: order number, order position, description of goods, number of pieces as well as the gross and net weight. The quantity defined in the order must be respected. MICRO CRYSTAL AG reserves the right to return surplus stock, in such an event the supplier is liable for all surmountable costs and in the event of shortages MICRO CRYSTAL AG can insist on the fulfilment of the order by requesting that the missing quantity be supplied.
- 6.4. The supplier shall be liable that the delivery according to the contract has no legal and physical defects and is in perfect condition using high quality raw materials for the intended purpose. This mainly concerns the fulfilment of governmental and statutory safety regulations of the manufacturing country and the country of destination. The supplier guarantees to comply to the specifications agreed upon and to keep all entrusted information confidential, this also applies to the approved transmission of the order to a third party. MICRO CRYSTAL AG is entitled to return defective goods to the detriment of the supplier and to claim faultless replacement thereof.
7. **Warranty**
- 7.1. The supplier shall examine the quantity and quality of the goods before they are shipped.
- 7.2. The supplier warrants for a period of 24 months from the date of transfer of the goods at their place of destination and shall comply with the regulations agreed to before with regards to material, design, model, processing and function. For replaced or repaired parts the guarantee period starts anew after replacement or completion of repair.
- 7.3. The goods delivered shall be examined as soon as possible after receipt thereof, at the latest upon further processing or usage, and the supplier shall immediately be notified in the event that defects exist. Since in the case of most deliveries the conformity of the goods with the contract cannot be examined immediately, the supplier will be notified of any defects, without respecting a time limit as long as this takes place before the expiry of the warranty period.
- 7.4. In the event of non-conforming deliveries MICRO CRYSTAL AG can request either an immediate repair or delivery of acceptable products at no cost to MICRO CRYSTAL AG. The right to claims for recession of sale, reduction in price and indemnification is reserved. Furthermore, MICRO CRYSTAL AG reserves the right to retain the payment fully or partial, if replacement is required, until either the supplier has fulfilled his duty to deliver a replacement or the circumstances regarding any recession of acceptable products reduction in price and damages have been settled bindingly.
- 7.5. The supplier warrants to indemnify MICRO CRYSTAL AG completely against all third party claims concerning any supposed or actual violation of industrial rights.
8. **Trademark**
- 8.1. If MICRO CRYSTAL AG so wishes, their trademark and logo is to be displayed on goods ordered by MICRO CRYSTAL AG. These parts shall be delivered solely to MICRO CRYSTAL AG. Rejected goods or those sent back by MICRO CRYSTAL AG, which carry their trademark and logo shall be made destroyed after consultation and written confirmation.
9. **Product Liability**
- 9.1. MICRO CRYSTAL AG will immediately notify the supplier of any known defect in the product, if the defect caused an accident which resulted in death, personal injury or material damage, and discuss the steps to be taken together with the supplier. The supplier shall support MICRO CRYSTAL AG in the dispute with the injured party and indemnify MICRO CRYSTAL AG against legitimate claims concerning defects in the goods attributable to the supplier and for which the supplier or MICRO CRYSTAL AG are responsible according to the Swiss Product Liability Act of June 18 1993. Claims are only legitimate if they have either been accepted by the supplier or awarded to the injured person(s) by way of a final court decision of a proceeding which MICRO CRYSTAL AG have led. The supplier shall reimburse MICRO CRYSTAL AG for the expenses arisen there from. The supplier shall bear all costs for a recall action, which from the product liability point of view are attributable to the supplier's contribution.
10. **Jurisdiction and Applicable Law**
- 10.1. These General Conditions of Purchase shall be governed by Swiss Law.
- 10.2. Any disputes which could arise from these General Purchasing Conditions shall be submitted to the Court of Solothurn, Switzerland.
- 10.3. The application of the United Nations Convention on Contracts for the international Sales of Goods of April 11 1980 (CISG) shall be excluded.

The German version is binding.