

GENERAL CONDITIONS OF DELIVERY AND PAYMENT (GC) OF PPP INTERNATIONAL LTD, CH-3455 Grünen-Sumiswald

1. General – Scope

- 1.1 These GC (General Conditions of Delivery and Payment) govern the commercial relations between PPP International (hereinafter called PPP) and the client. They apply as an integral component of every commercial relationship between PPP and the client. Designated as a client will be the company/person ordering goods or services from PPP.

Conditions of the client, which contradict or deviate from these GC, will not be accepted, unless PPP has agreed to the contrary in writing. These GC will apply even if PPP, in the knowledge of conditions to the contrary or conditions of the client deviating from these GC, carries out the delivery unconditionally to the client.

- 1.2 These GC will apply even if the completion of the contract is not based on a written duplicate order copy or a written order acknowledgement.
- 1.3 These GC will apply also for any future business within the framework of a regular commercial relationship with the client.
- 1.4 Secondary arrangements, in particular undertakings by representatives, will only be legally binding, if they have been confirmed in writing by PPP.
- 1.5 In addition the technical conditions of supply and instructions, which are supplied to the client together with the order, will also apply. The GC will take precedence over the requirements of the technical conditions of supply and instructions.
- 1.6 PPP reserves the right at any time to make changes to the products, the technical conditions of supply and instructions, the delivery conditions and the prices (except other written agreements).
- 1.7 Scheduled orders will only be considered as agreed, if the schedule has been confirmed in writing by PPP.
- 1.8 Any technical services provided by PPP, such as advice with regard to the use of products etc. do not form the object of the quotation. PPP will only accept responsibility for any errors within the framework of the above-mentioned services in the event of gross negligence. The same applies to diagrams, drawings, details of weights and measurements.

2. Prices

- 2.1 The prices of PPP apply ex-works (EXW Incoterms 2000) in Grünen, without packing. Unless otherwise agreed, shipment will take place at the expense of the client.
- 2.2 The legally prescribed taxes and duties will always be charged additionally at the current rate applicable.

3. Transfer of risk

- 3.1 The risk of accidental destruction or accidental deterioration of the goods sold will transfer with the handover to the client, but at the very latest, as soon as the goods leave the supply warehouse or factory.
- 3.2 If the client does not collect the goods, PPP has the right to set a period of 7 days for collection of the goods. On expiry of these 7 days the risk will transfer to the client.

4. Complaints-Reporting of Faults Obligation

- 4.1 Any damage and defects must be reported in writing to PPP within 5 working days of delivery together with indication of the delivery note number. Hidden defects must be reported in writing within 5 working days of their discovery together with indication of the delivery note number.

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5. Liability of PPP for defects

- 5.1 In the event of a justified complaint the client – at the discretion of PPP – has a right to a repair or a replacement delivery. In the event of a faulty or defective delivery, PPP will be liable only for the price of the material.
- 5.2 Unless the Law stipulates otherwise, further claims by the client will be excluded notwithstanding the causes in Law. The liability of PPP is determined definitively in these GC.
- 5.3 In particular under no circumstances will there be claims by the client for compensation for damages or losses, which have not occurred to the object of the delivery itself, such as for example loss of production, loss of use, loss of orders, loss of profits as well as other direct or indirect losses. This liability limitation will not apply in the event of illegal intent by PPP or gross negligence.

6. Delivery and approval periods

- 6.1 Delays in delivery will entitle the client neither to withdraw from the contract nor to make claims of any kind for compensation.

7. Reservation of title

- 7.1 Until payment is made in full, the goods supplied by PPP remain their property and these goods will be subject to a reservation of title. Insofar as the validity of the reservation of title is tied to an entry in a register, PPP is entitled to the access this entry at any time.

8. Conditions of Payment

- 8.1 Payments are to be made by the client according to the agreed conditions of payment without deduction of discounts, duties, taxes and the like.
- 8.2 Unless otherwise agreed, the client will make payments within 30 days net.
- 8.3 Non-receipt of the client's payment by the vendor/dealer, for whatever reason, will not release the vendor/dealer from his own obligation to pay PPP.

9. Other important conditions

- 9.1 The client may use the goods, catalogues, brochures etc. provided or handed over by PPP, only for the contractually intended purpose. Any other use is excluded, in particular the imitation, copying, distribution and issuing or handing over to third parties. PPP reserves its right to ownership and copyright.
- 9.2 An adaptation or an imitation of the goods designed, manufactured and sold by PPP is not permissible. The patent rights of PPP may neither be infringed on nor endangered.
- 9.3 Technical details of the goods or details of their characteristics and composition in catalogues, price lists etc. are not binding and may be subject to alterations, which may not give rise to any claims by the vendor/dealer.

10. Place of performance, jurisdiction and Law applicable

- 10.1 The place of performance for any obligations arising from the contract is Grünen, Switzerland. The **place of jurisdiction** for any claims and obligations arising from the contract as well as for claims resulting from offences is exclusively Grünen, Switzerland (**Burgdorf** District Court). **Swiss Law** will apply exclusively. By mutual agreement the application of Vienna Purchase Law (CISG) is excluded.

CH- Grünen, January 2007