

## GENERAL TERMS AND CONDITIONS (GTC)

### I. SCOPE

1. These General Terms and Conditions (GTC) shall govern all deliveries and services by Stilo. Deviating provisions or amendments to these GTC shall only apply if they have been explicitly consented to by Stilo in writing.
2. The applicability of general terms and conditions of the contracting partners to the deliveries and services of Stilo are hereby explicitly excluded. Such general terms and conditions of contracting partners shall only become valid if Stilo explicitly waives applicability of these GTC in writing, in favour of the contractual partners' general terms and conditions.

### II. SCOPE OF DELIVERIES AND SERVICES

3. The offers by Stilo in the price lists shall be non-binding. The written contract concluded between the parties shall exclusively govern the scope of the deliveries and services. In the absence of a mutually signed, written contract, the order confirmation from Stilo shall be binding, or in its absence, the offer from Stilo.
4. Side agreements, changes and amendments to the order confirmation or offers by Stilo through the purchaser shall only be valid, if these have been confirmed by Stilo in writing. Without a written confirmation, the scope of the deliveries or services shall apply that emerges from the offer or order confirmation, which shall therefore remain valid. Requests for changes by the purchaser can also only be taken into consideration if the production process has not yet started and no costs have yet been incurred. Requests for changes can lead to postponements of the delivery date, which shall exclusively be at the expense of the purchaser.
5. The documentation belonging to the order, such as illustrations, drawings, weight specifications, are only approximately relevant, if they are not explicitly described as being binding.
6. Stilo explicitly reserves all ownership rights and copyrights to cost estimates, drawings, prototypes, software and other papers or documentation. They must not be disclosed to third parties without the prior, written consent of Stilo. Such papers and documents belonging to an offer shall be returned to Stilo on first request, if the order is not placed with Stilo.
7. Stilo shall be authorised to carry out improvements to models, where shape, mass and colour deviations can occur. Such improvements shall not entitle the purchaser to assert any defect rights.
8. If Stilo is provided with the customer's documentation, Stilo shall be entitled to disclose these documents to third parties, as long as Stilo admissibly assigns services or deliveries to third parties.

### III. PRICES

9. The prices are stated as net prices (VAT is stated separately and charged additionally) and shall apply, as long as nothing different has explicitly been agreed, ex factory from Stilo, i.e. exclusive of costs for shipping from the company domicile, packaging and transport insurance. Costs for setup or installation shall be charged separately.
10. The prices shall only apply to the respective order.
11. Prices in offers by Stilo shall be valid for a period of four weeks from the offer date, provided that nothing different has been agreed.

### IV. PAYMENT TERMS

12. The payments shall be effected at the domicile of Stilo by the purchaser, in accordance with the agreed payment terms, without deducting any costs, taxes, duties or similar.
13. In the absence of a different agreement, the price shall be paid as follows:  
The invoice amounts shall be payable net within 30 days since the date of invoicing.  
A cash discount shall only be acknowledged by Stilo if all previous payment obligations have been completely fulfilled by the purchaser.
14. The payment obligation shall be fulfilled as soon as the total price is available at the domicile of Stilo, in Swiss Francs, for free disposal. All fees incurred from the payment, particularly with payment by cheque or promissory notes, shall be for the account of the purchaser.
15. The payment deadlines shall also be met if shipment, delivery, installation, commissioning or acceptance of the

deliveries or services are delayed or made impossible for reasons not caused by Stilo, or if insignificant parts are missing or reworking becomes necessary, which does not make the use of the delivery impossible.

16. If deposit payments are arranged and the purchaser does not pay these on time, Stilo shall be entitled to adhere to the contract or withdraw from the contract and demand compensation for the loss incurred by Stilo. If the deposit payment is late, Stilo shall be entitled to demand collateral for the remaining price and withhold the deliveries or services until this collateral has been provided. These rights shall also exist in case of omission or late payment of an instalment.
17. If the purchaser does not adhere to the payment deadlines, he shall pay interest of 7% per annum from the time of maturity, without receiving a reminder. Claims to compensation of further losses shall remain reserved.
18. The purchaser can only offset own claims with claims against Stilo, which are uncontested or legally established.
19. Payments to third parties shall only be acknowledged as payment fulfilment if Stilo has previously consented to payment to a third party in writing.

### V. RESERVATION OF OWNERSHIP

20. Stilo shall remain the owner of all deliveries until Stilo has fully received all payments pursuant to the contract. With regard to measures that are required for the protection of Stilo, the purchaser shall be obligated to cooperate, in particular, on conclusion of the contract, he shall authorise Stilo to carry out the entry or priority notice of the reservation of ownership in public registers, pursuant to the legal regulations, and fulfil all relevant formalities, at the expense of the purchaser. The purchaser shall retain the delivered items at his expense during the term of the reservation of ownership and insure them against theft, breakage, fire, water and other risks, in favour of Stilo. He shall furthermore undertake all measures, so that Stilo's reservation of ownership is neither impaired nor rescinded.

### VI. DELIVERY PERIOD

21. The delivery period shall begin on conclusion of the contract/issuing of the order confirmation. The start of the delivery period requires that all documentation to be supplied by the purchaser has been handed over and that plans are approved/additional technical points have been clarified and the payment terms and provision of collateral have been complied with. If one of these preconditions should be missing, the delivery period shall be suspended/ the time period will be extended between contract conclusion and fulfilment of the above mentioned preconditions.
22. If the claims by Stilo from previous deliveries or services for the purchaser have not been settled, Stilo shall be entitled to withhold its deliveries or services until the respective claims have been fulfilled. The delivery period shall extend automatically for the appropriate time.
23. The delivery period shall extend by the period during which obstacles arise, which Stilo cannot avert, in spite of undertaking the necessary care and attention, notwithstanding whether these obstacles occur with Stilo, with the purchaser or with a third party. Such obstacles can be, for example, but not exhaustively, war, business disruptions, accidents, labour conflicts, late or faulty delivery of raw material, semi-finished or finished goods, official measures, natural disasters, etc.
24. The delivery shall be regarded as having taken place:
  - for delivery without setup or installation, with notification of readiness for delivery;
  - for delivery with setup or installation, as soon as the deliveries have arrived at the setup location.
25. Stilo shall endeavour to deliver orders as quickly as possible and adhere to delivery deadlines, if possible; details regarding deadlines and delivery periods shall be non-binding. Compensation claims or a right of withdrawal by the purchaser due to delivery delay shall be excluded.
26. If the purchaser should enter into default with acceptance of the deliveries or services, Stilo shall be entitled to demand compensation for storage of the deliveries in its factory, however, a minimum of 0.5% of the invoice amount for each initiated month.

## VII. TRANSFER OF BENEFIT AND RISK

27. Transfer of benefit and risk to the purchaser shall take place no later than upon departure of the deliveries from the Stilo factory. If the delivery should take place with setup or installation, the transfer of benefit and risk shall transfer to the purchaser after setup or installation.
28. If the delivery should be delayed at the request of the purchaser or for other reasons that are not caused by Stilo, the risk shall transfer to the purchaser at the point in time originally envisaged for the delivery ex factory.

## VII. SETUP OR INSTALLATION

29. For each type of setup or installation, prior to starting, all deliveries and services owed by the purchaser must have progressed such that the work can immediately be started by Stilo after the arrival of its personnel.

## IX. WARRANTY

30. Within the context of the legal provisions, Stilo shall warrant that the delivered goods are free from material and manufacturing defects at the time of transfer of risk, which significantly impair the value or suitability of the goods.
31. Losses that have not verifiably been caused as a result of poor material, faulty construction or defective execution, such as damage resulting from natural wear and tear, incl. surface changes from UV rays, defective maintenance, disregarding operating regulations or influences by third parties and by operating resources that have not been supplied by Stilo, shall be excluded from the warranty and indemnity of Stilo.
32. As Stilo uses some natural products for its products, particularly wood, colour and structural deviations from the valid prototypes shall be tolerated by the purchaser and cannot be asserted within the context of the warranty. Due to the possibility that age-related surface changes must be anticipated, no warranty shall be provided for colour and structural consistency for re-orders.
33. The purchaser shall be obligated to immediately notify Stilo in writing of any defects that have subsequently been determined. Faulty products or parts of products shall be exchanged, repaired or replaced with equivalent products, at Stilo's option. The purchaser shall not be entitled to redhibitory action, reimbursement of the purchase price or price reduction. However, at its discretion, Stilo can waive supplementary performance or exchange in favour of a price reduction. Compensation claims of any kind shall be excluded within the scope permitted by law. Exchange, repair or replacement shall not provide entitlement to a guarantee extension; in this regard, the relevant guarantee period for the first delivery shall remain binding.
34. Provided that nothing different has been contractually agreed, Stilo shall provide a **two-year** warranty. The warranty period shall run from the date of delivery.

## X. ACCEPTANCE, INSPECTION OF THE DELIVERIES AND SERVICES

35. Stilo shall inspect the deliveries and services prior to shipping, inasmuch as this is customary at Stilo. If the purchaser should demand further inspections, these shall be arranged specifically and paid for by the purchaser.
36. The purchaser shall inspect the deliveries and services within a period of **seven business days** and immediately notify Stilo of any defects in writing. If he should fail to do this, the deliveries and services shall be regarded as approved.
37. If defects should occur to the deliveries and services at a later point in time, which did not yet exist at the time of acceptance, the purchaser must immediately provide notification of defects in writing. If he should fail to do this, Stilo's warranty obligation shall lapse for these defects.

## XI. NON-PERFORMANCE, DEFECTIVE PERFORMANCE

38. If unforeseen events should significantly change the commercial significance or the content of the deliveries and services, or have a significant effect on Stilo's work, the contract shall be adapted accordingly. If this should not be commercially justifiable, Stilo shall be entitled to rescind the contract or the affected parts of the contract. If Stilo should intend to make use of the contract rescission, Stilo shall notify the purchaser immediately in writing after finding out about the importance of the event, even if an extension of the delivery period has initially been agreed. In case of contract rescission, Stilo shall be entitled to remuneration for the deliveries and services already provided. Compensation claims by the purchaser due to such a contract rescission shall be excluded.

## XII. EXCLUSION OF FURTHER LIABILITY BY STILO

39. Any further liability by Stilo shall be excluded, as far as it is legally admissible. Claims by the purchaser shall remain reserved for illegal intent or gross negligence by Stilo or its legal agents.

## XIII. BINDINGNESS OF THE GTC

40. The remaining sections of these GTC shall also remain binding if individual points should be legally invalid. This shall not apply if adherence would constitute unreasonable hardship for a party.

## XIV. COURT JURISDICTION

41. The court jurisdiction for the purchaser is the domicile of Stilo and therefore **Bühler/AR (Switzerland)**. However, Stilo shall also be entitled to file legal action against the purchaser at his domicile.
42. The legal relationship shall exclusively be subject to Swiss law. The applicability of the UN Convention on the International Sale of Goods is explicitly excluded.

Bühler, August 2009