

Terms & Conditions of Delivery and Payment

I. Scope, conflicting general terms and conditions, written form

1. These Terms & Conditions of Delivery and Payment shall apply to the entire business relationship with Panasonic Electric Works Europe AG ("PEWEU"), especially deliveries, services, offers and declarations of acceptance. They shall apply exclusively. General conditions of Customer shall not apply unless PEWEU has agreed to them in writing in the particular case. In the case of continuous business relations they shall also apply to all subsequent transactions, even if not explicitly agreed upon.

2. To the exception of orders placed via the PEWEU internet store, all orders, declarations of acceptance as well as collateral agreements, amendments and any other arrangements made prior to or upon acceptance of the order shall only be effective if made in writing (e.g. letter, fax, email).

II. Prices

1. Unless otherwise agreed the prices of PEWEU are in Euro, ex works [EXW, Incoterms 2010], including packaging and exclusive of VAT.

2. The prices are determined by the price list as applicable at the time of conclusion of the contract.

III. Effectiveness, modification of orders, cancellation

1. Unless otherwise agreed or otherwise indicated, the offers of PEWEU are not binding and without any commitment. A contract becomes effective only upon the written confirmation of the order received by PEWEU and upon Customer's acceptance of delivery at the latest.

2. Modifications of orders shall be carried out on Customer's request if Customer pays all costs incurred as a result of the modification.

3. If Customer cancels the order without justification, PEWEU is entitled to claim compensation for damage sustained as a result in the amount of 20% of the value of the goods ordered, provided that Customer was requested to withdraw the cancellation within a reasonable additional period of time and that Customer maintained the cancellation in spite of this request. The same applies if Customer fails to make a declaration within the fixed additional period of time. Nothing in this shall prejudice Customer's right to set forth a lower damage and PEWEU's right to set forth a higher damage.

IV. Delivery periods, delivery deadlines, partial deliveries, delay, force majeure

1. Delivery periods or deadlines indicated by PEWEU but not explicitly referred to as binding and/or not agreed upon with Customer as having a binding effect are without any commitment. PEWEU shall use best efforts to observe delivery deadlines agreed upon with Customer.

2. PEWEU is entitled to effect and invoice partial delivery or partial performance to a reasonable extent.

3. Besides delivery Customer may claim compensation for the damage caused by delay if the reasons for such delay involve intent or gross negligence on the part of PEWEU. Subject to sec. X.3 hereof, in case of ordinary negligence the liability of PEWEU shall be limited to damage foreseeable at the time of conclusion of the contract and typical for the contract.

4. PEWEU shall not be liable for delays in delivery which are due to PEWEU's having received any ordered goods with delay or not at all, if PEWEU is not responsible for such delay or non-delivery, especially if PEWEU has effected a specific covering transaction and the supplier has failed to deliver to PEWEU at all or in due time.

5. Force majeure as well as operational breakdowns occurring at PEWEU and/or its suppliers, e.g. riots, lawful strikes, lock-outs, government orders, which temporarily hinder PEWEU, without any fault on its part or attributable to it, to deliver the object of purchase by the agreed deadline shall lead to an extension of these deadlines and periods for the duration of the hindrance caused by these circumstances. If such hindrance prevents performance for more than four months, both parties are entitled to withdraw from the contract. Any other rights of rescission of Customer remain unaffected.

V. Payment, bank charges, delay in payment, retention/offsetting

1. The purchase price falls due upon delivery of the object of purchase. Unless agreed otherwise, invoices are payable promptly on receipt, without any deductions.

2. The charges and expenses of Customer's bank incurred in relation to a bank transfer shall be borne by Customer, while the charges and expenses of the bank of PEWEU shall be borne by PEWEU.

3. If Customer is in default with payment, PEWEU is entitled to claim an additional 1% of the outstanding amount for each full month counted from the date the default occurred, as compensation for the damage caused by the default. Customer's right to set forth a lower damage caused by default and PEWEU's right to set forth a higher damage caused by default shall not be affected.

4. PEWEU is not obliged to deliver goods for any running contracts when there is a default in payment, including penalty interest, or when the credit limit has been exceeded.

5. If the Customer is in default of payment or if our debt claim is endangered for any reason whatsoever, the Customer shall be

obliged to settle his accounts with us immediately. This applies to all open accounts the Customer may have with us.

6. In the event of default in payment PEWEU further may set a reasonable respite for payment and, if Customer fails to settle the entire amount due within such respite, declare rescission of the contract and claim return of the goods delivered.

7. Customer may assert a right of retention with respect to claims of PEWEU only if it is based on claims from the same contractual relationship that are uncontested, ready for decision or defined by final enforceable judgment. Any offsetting by Customer is admissible only if Customer's counter-claim is defined by final enforceable judgment, ready for decision or uncontested.

VI. Orders for goods to be delivered on demand

1. In the event that Customer has ordered goods to be delivered on demand and Customer fails to take delivery of the total quantity of the goods ordered within the envisaged period of time, Customer shall have no right to the discount granted for the total quantity of the ordered goods. As regards already effected partial deliveries PEWEU is entitled to bill Customer the purchase price payable according to the current price list for the goods of which delivery was taken.

2. In the event that Customer is in default with his obligation to demand delivery, Customer shall have to pay damages to PEWEU in the amount of 1% of the value of the quantity of goods of which Customer has to take delivery, payable for each full month Customer is in default with the fulfilment of his obligation to take delivery. The right of Customer to set forth a lower damage and the right of PEWEU to set forth a higher damage shall not be affected.

3. In the event that Customer refuses to take delivery of the remaining quantity of the goods ordered after expiration of the agreed demand period, sec. III. 3 hereof shall apply mutatis mutandis as far as the remaining quantity is concerned.

VII. Warranty

1. Customer has to inspect the goods delivered promptly upon delivery. Obvious defects have to be notified to PEWEU in writing within 14 days from delivery and hidden defects within 14 days from the date on which the defect was discovered. The legal consequences of Art. 201 OR shall apply in the absence of Customer's notification.

2. For defects notified in due time, the warranty of PEWEU shall be governed by the legal provisions on the following conditions:

a. In the event of a defective delivery Customer has the right to claim either free-of-charge repair or free-of-charge replacement ("cure"), at the option of PEWEU. The cure is deemed to have failed if a defect cannot be remedied after at least two repairs or replacements, in technically complicated cases after at least three repairs, or if another attempt of repair or another replacement is unacceptable for Customer or impossible, unacceptably delayed or seriously and definitely refused. The parts replaced on the occasion of a repair shall become property of PEWEU.

b. Customer is not entitled to claim expenses incurred as a result of the cure (e.g. transportation costs, tolls, work and material costs) if these expenses are increased because the purchased product was relocated after delivery to a place other than Customer's seat or commercial establishment, unless the relocation is in keeping with the designated use of the product. If Customer's complaint of defects is not justified for reasons for which Customer is accountable, Customer has to reimburse PEWEU of the expenses incurred as a result.

c. Customer can only claim damages or reimbursement of expenses for defects to the extent that PEWEU's liability is not excluded or restricted according to sec. X hereof. Any further or other claims for material defects beyond those laid down in this sec. VII are excluded.

VIII. Disposal of the delivered goods

1. Customer is obliged to duly dispose of the delivered goods after the termination of their use in accordance with the statutory requirements, at Customer's expense. Customer will in this respect release PEWEU from the obligations under the regulation governing the return and disposal of electric and electronic equipment, especially Art. 4 - 6 VREG concerning the manufacturers' duty to take back such products, and indemnify PEWEU against any related claims of third parties.

2. If the goods delivered by PEWEU are resold in the course of commercial business Customer shall impose suitable contractual requirements to ensure that either Customer's customer sees to their due and proper disposal in accordance with the statutory provisions after the termination of the use and/or assumes liability towards its customers for the due and proper disposal, or that Customer will arrange for the due and proper disposal in the relation with its customer.

3. If after the termination of the use a third party asserts a claim for the disposal of the delivered goods against PEWEU, Customer shall duly dispose of the goods and indemnify PEWEU from and against all claims of third parties in relation to the obligations under Art. 4 - 6 VREG.

4. PEWEU's claim against Customer under Sec. VIII.1 to fulfil the duty of disposal and/or to release PEWEU from the obligations under Art. 4 - 6 VREG will become statute-barred at the earliest one year after the definite termination of the use and awareness of PEWEU thereof.

IX. Software products

As regards software products, the licensing conditions of the respective products shall apply additionally and shall have priority.

X. Liability

1. PEWEU shall be liable for damage caused by PEWEU or persons employed in the performance of PEWEU's obligations, provided that such damage is due to intent or gross negligence. In the event of a breach by ordinary negligence of a major obligation or of an accessory obligation whose breach will put the achievement of the contractual purpose at risk, or whose fulfilment is essential for the due and proper implementation of the contract, and whose fulfilment Customer could reasonably rely on ("essential accessory obligation"), the liability of PEWEU shall be limited to damage typical of the contract and foreseeable at the time of conclusion of the contract. PEWEU accepts no liability for any breach by ordinary negligence of contractual accessory obligations which are not essential accessory obligations.

2. Customer is obliged to immediately notify PEWEU of damage for which PEWEU is liable and to have such damage recorded by PEWEU.

3. PEWEU's liability in the event of a guarantee as to quality or durability, for malice, for tortious acts, for physical injury and for defects of products under the Product Liability Act shall not be affected by the foregoing regulations. This shall not involve a reversal of the burden of proof to Customer's disadvantage.

XI. No manufacture of weapons of war or destruction, observance of export laws

1. Customer shall not use the goods delivered by PEWEU for the purpose of development, design, manufacture, storage or use of any weapons of war and destruction, including but not limited to nuclear weapons, biological weapons, chemical weapons and missiles ("Weapons").

2. Customer shall not sell, lease or otherwise transfer the goods delivered by PEWEU, whether directly or indirectly, to any customer that will use the goods in the development, design, manufacture, storage or use of Weapons.

3. Customer shall not export or re-export, whether directly or indirectly, the goods delivered by PEWEU without the authorization required under export control laws and/or regulations of any countries claiming jurisdiction over the contracting parties.

Customer shall not export or re-export, whether directly or indirectly, the goods delivered by PEWEU to any country against which any sanction is imposed under certain resolutions of the Security Council of the United Nations for as long as such resolutions remain valid and effective and as far as the goods delivered by PEWEU remain subject to an export ban for such country.

4. In the event Customer breaches any provision of this sec. XI., Customer shall be liable to PEWEU for all direct and indirect damage sustained by PEWEU due to such breach; furthermore PEWEU shall in such an event have the right to terminate the contract with Customer forthwith without any liability towards Customer. Furthermore PEWEU shall not be obliged to accept or fulfil any orders which may contravene any export control laws, rules and/or regulations of any relevant countries, or provisions of this sec. XI.

XII. Combating corruption

1. The Customer is aware of the importance of combating corruption, obeys the relevant Swiss, European and other regulations and does everything in his power to see that his employees do the same.

2. Corruption in the sense of this document concerns active and passive bribery, and taking or granting an undue economic advantage in either the public or private sphere.

3. The Customer shall document all business transactions completely and in a method fully compliant with the law.

4. Should the Customer knowingly breach the obligations set forth by this document, PEWEU has the right to immediately terminate the business relationship for good reason and without fearing damage.

XII. Confidentiality of internet store access data

Customer agrees to keep confidential and not disclose to any unauthorized third parties, the access data for the PEWEU internet store provided to Customer. For any culpable breach of this undertaking by Customer, Customer will compensate PEWEU for all losses sustained as a result of such breach.

XIII. Place of performance, passing of risk, delay in acceptance

Unless agreed otherwise, the risk shall pass to Customer as soon as the goods are handed over by PEWEU to the forwarding agent, carrier or any other person in charge of transport. In case Customer fails to accept the goods in due time although they were offered to Customer, the risk shall pass to Customer on advice that the ordered goods are ready for dispatch.

XIV. Place of jurisdiction, applicable law

1. Zug (domicile of the PEWEU Switzerland establishment) shall be the exclusive place of jurisdiction for all disputes arising between PEWEU and Customer on whichever legal ground. However, PEWEU shall also have the right to instigate court proceedings against Customer in any other court having jurisdiction.

2. The laws of Switzerland shall be applicable, to the exclusion of the UN Sales Convention.