

GENERAL PURCHASING CONDITIONS OF RENATA AG

1. General information

- 1.1 The general purchasing conditions of RENATA AG (hereafter referred to as "RENATA") listed below apply as standard for all purchasing obligations of RENATA unless another written agreement is reached with the consent of both parties.
- 1.2 The vendor agrees explicitly not to enforce any of their own "General Business Conditions".

2. Placing of orders

- 2.1 Legally binding orders can be communicated by letter, fax, EDI or with other means of electronic data transmission which fulfill the requirements of The Swatch Group AG. Agreements made orally or made over the telephone and alterations and additions are only deemed valid if they are confirmed by RENATA using the data transmission means listed above.
- 2.2 Complete or partial transfer of orders to third parties may only occur with explicit prior permission from RENATA.
- 2.3 Every order must be confirmed within fourteen (14) days from the date of issue using the data transmission means listed under paragraph 2.1 unless immediate delivery occurs. RENATA is entitled to withdraw from unconfirmed orders at any time.

3. Prices and payment conditions

- 3.1 The agreed prices are fixed prices and include all additional costs (e.g. packaging, transport) with the exception of insurance. Price alterations or provisos relating to these are only binding if and to the extent that RENATA has explicitly acknowledged these in writing.
- 3.2 Every delivery should be invoiced on dispatch. A separate invoice must be presented for every delivery which states the value added tax and contains a reference to the RENATA order number. Invoices without this information will be rejected. Cash-on-delivery packages will not be accepted.
- 3.3 Payments from RENATA will be made when the goods are delivered to the specified location regardless of the results of an inspection of the goods. The payments or partial payments from RENATA therefore shall not be regarded as an acknowledgement of quantity, price and quality. Any legal claims that RENATA may have relating to these are therefore not affected and are retained to their full extent even after payment for the goods has occurred.
- 3.4 Unless otherwise agreed, payment will be made according to the conditions specified on the order.
- 3.5 Cession of claims against us as well as setting off sums against counterclaims is only permissible with written permission from RENATA.

4. Material, drawings, tools, models and other working aids

- 4.1 Material, drawings, tools, models and other working aids made available by RENATA to the vendor or manufactured at the cost of RENATA remain property of RENATA.
- 4.2 The above-mentioned working aids or material may not be made accessible to third parties and may only be used to fulfill orders. The working aids or unused material should be returned intact at the request of RENATA at any time, at the latest when the goods are delivered or, if agreed explicitly, stored by the vendor until they are recalled.
- 4.3 If the order from RENATA encompasses the manufacturing of small parts and components in the sense of a contract for work (Art. 363 ff. OR), RENATA will have unlimited rights to the intellectual property and rights of exclusive use for all constructions and developments relating to this. The constructions and developments may not be made partially or fully accessible to third parties or used for the vendor's own purposes or for the purposes of other parties without explicit written permission.

5. Delivery periods

- 5.1 The delivery dates and delivery periods stipulated by RENATA (including those for partial deliveries) are binding. They are regarded as having been met if the goods have arrived at the specified location before they have expired.
- 5.2 Delivery is regarded as delayed without a reminder.
- 5.3 Unless paragraph 5.5 is enforced, RENATA reserves the right to claim for compensation, withdraw from the order or reduce the order volume in the event of a delayed delivery.
- 5.4 RENATA does not have to accept early deliveries. Should RENATA accept an early delivery the additional costs resulting from this (e.g. storage costs) will be charged against the purchase price. In the event of early delivery, payment periods are still calculated from the regular delivery date or invoice date.
- 5.5 In the event that the vendor fails to meet an agreed delivery date, RENATA reserves the right to deduct 4% of the invoice sum per week of delay up to a maximum of 12%. After 3 weeks have expired, the options specified in paragraph 5.3 become valid again.

6. Fulfilment

- 6.1 Unless otherwise agreed, delivery should be made to the fulfillment location specified by RENATA.
- 6.2 Use and risk are transferred to RENATA on delivery, i.e. when the goods are unloaded at the place of delivery.
- 6.3 Every delivery should be accompanied by a detailed delivery note, which should contain at least the order number, order item, item description, number of items and gross and net weight. The quantities specified in the order should be adhered to. RENATA reserves the right to make excess parts available to the vendor whereby all costs for this will be refunded and in the event of insufficient quantities to insist that the ordered quantity is fulfilled.
- 6.4 The vendor accepts liability as agreed for the delivery of goods free of defects of title or quality, in flawless condition and the use of flawless raw materials which are suitable for the intended use. In particular this applies to adherence to local authority and legal regulations in the manufacturer's country. The vendor guarantees that if the order is transferred to a third party in an approved manner, the delivery will correspond with the requirements specified beforehand and the confidentiality of the information revealed to the vendor will be retained. RENATA is entitled to return defective goods to the vendor at the vendor's expense and to receive flawless replacements for these goods.
- 6.5 Deliveries from the vendor must be conducted according to the "General Quality Agreement" (Allgemeine Qualitätsvereinbarung) of RENATA unless alternative regulations have been agreed in writing.

7. Guarantee

- 7.1 The vendor will check the quantity and quality of the goods before dispatch.
- 7.2 The vendor assumes a 24 months guarantee, beginning with the delivery of the goods at the place of delivery, that the goods in terms of material, construction, design, workmanship and function correspond with regulations and agreements. In the event of a delivery of replacements or after the completion of repairs of defective goods, the guarantee period begins afresh.
- 7.3 The delivered goods will be checked as soon as possible after the goods have been received, at the latest when the goods are further processed or commissioned and the vendor will be informed of all defects immediately. As it is not possible to check that most deliveries conform to the conditions of the contract immediately, the vendor acknowledges that notification of defects are deemed as valid without adherence to a notification period as long as notification takes place within the guarantee period. This

regulation only applies if the parties have not made a special quality agreement.

- 7.4 In the event of a defective delivery, RENATA can choose between immediate rectification of the fault free of charge or a supply of flawless goods. Claims for rescission, reduction in price and enforcement of compensation claims are retained. RENATA can partially or fully retain payment until, if replacements have been demanded, the vendor has fulfilled his obligation to supply flawless replacements, or until the state of affairs with regard to rescission, reduction of price or compensation has been bindingly clarified.
- 7.5 The vendor undertakes to guarantee to completely indemnify RENATA against all claims from third parties for claimed or actual infringements of property rights of any kind

8. Company and trademarks

- 8.1 Should RENATA desire, company and trademarks should be placed on the goods ordered by RENATA as directed. The objects labelled in this manner may only be supplied to RENATA. Goods which have been rejected and returned by RENATA which have had the company or trademarks attached to them, must be rendered unusable after consultations and written confirmation must be provided.

9. Product liability

- 9.1 RENATA will inform the vendor immediately should they become aware of any product faults in the goods supplied if this fault has led or could lead to an accident resulting in death, personal injury or damage to property and RENATA will then consult with the vendor on what action will then be taken. The vendor will support RENATA in discussions with the injured party and will indemnify RENATA from any valid claims if the cause of these can be traced back to the a product fault in the goods supplied for which the vendor is responsible and for which RENATA or the vendor are answerable according to the Federal Swiss law on product liability of the 18 June 1993. Claims are only regarded as valid if they are either acknowledged by the vendor or are awarded to the injured party in legal proceedings conducted by RENATA. The vendor will compensate RENATA for all costs resulting from this. The vendor will pay all costs of recall actions which are necessary and which can be traced back to the vendor's contribution under the terms of product liability.

10. Place of jurisdiction and applicable law

- 10.1 These "General Purchase Conditions" are subject to Swiss law.
- 10.2 The parties agree that for all disputes arising from these general purchasing conditions the place of jurisdiction shall be Sissach in Switzerland.
- 10.3 The United Nations Convention of 11/04/1980 on contracts for international sales of goods (CISG) is explicitly excluded from this agreement.

Original version in German

In case of conflict between the English and the German version, the German version shall prevail.