

## 1. Validity

These general terms and conditions of purchase and delivery apply to all distec ag purchases (products and services) unless expressly agreed otherwise in writing.

By carrying out the order, the Supplier recognises our general terms and conditions of purchase as the only valid contractual basis. Deviating or additional delivery terms from suppliers apply to our purchases only if we have expressly recognised them in writing. The present conditions also apply to all future transactions.

## 2. Transfer of distec ag orders to third parties/transfer of rights and obligations

The transfer of orders or partial orders for aerospace, defence, and medical technology to third parties requires distec ag's prior written consent.

distec ag shall inform the Supplier of what verification and information must be provided in advance for the third party (subcontractor or partner). Without our written consent, rights and/or obligations stemming from the order may not be transferred to third parties in whole or in part. The Supplier is fully liable for the products and/or services obtained from its sub-supplier.

## 3. Access, inspection and participation rights (aerospace and defence/medical technology)

By accepting the order, the Supplier grants distec ag, its customers, the aviation authorities EASA and FOCA (BAZL) and, if applicable, other authorities, provided this does not involve business secrets, the right to access to its premises;

the right to inspect all order-related documentation (electronic and/or paper). The Supplier shall ensure that these rights of access, inspection and participation are also granted by its partners and subcontractors via concluding appropriate agreements with them.

## 4. Quality standards

The Supplier shall comply with the state of science and technology, the safety requirements and the agreed technical data for its delivery. The Supplier is obliged to introduce a corresponding quality management system and to maintain it for the duration of the business relationship with distec ag. distec ag is entitled to carry out Supplier audits to check the Supplier's quality assurance and/or to request documents, evidence or certificates.

## 5. People and the environment

The Supplier shall only employ qualified staff for our orders and ensure that these employees are aware of their contribution to the conformity and safety of the products they manufacture and of the importance and correctness of ethically correct behaviour.

The Supplier shall undertake suitable measures to ensure that no forgeries/parts of dubious origin enter into its and thus into distec ag's manufacturing process.

The Supplier is responsible for ensuring that its products comply with the relevant safety, environmental and occupational safety regulations and provisions as well as other requirements applicable at the time of delivery. The Supplier is liable for the violation of such provisions and must, upon request, indemnify distec ag from all claims by third parties and hold it harmless. The Supplier shall inform us of the risks that arise from its product or service when it is not used as intended.

## 6. Provision of materials

Materials that distec ag supplies for the execution of its own orders remain our property. These materials must be labelled and stored separately until they have been treated or processed. Processing waste and remaining materials must be returned at distec ag's request.

## 7. Orders and order confirmations

Our orders are only binding if they have been placed in writing. The Supplier must confirm our orders in writing within a period of five (5) business days. Confirmations received later or deviating from the orders shall be considered new offers, which we can accept within a reasonable time.

## **8. Acceptance of products and services**

The Supplier shall check the quantity, quality and compliance with the specifications specified in the order before shipping and shall notify us of any defects in writing.

distec ag is obliged to check the products and/or services within a reasonable period. In all instances, recognisable defects shall be deemed to have been notified in time if our notification of defects is sent to the Supplier within ten (10) business days after receipt of the products or within thirty (30) business days after receipt of the service. If the products delivered or services rendered correspond to the distec ag order, they shall be accepted.

The Supplier guarantees that the delivered products or services rendered do not have any defects that impair their value or their suitability for the intended use. The guaranteed properties must comply with the prescribed performance and specifications as well as the relevant laws, regulations and other provisions. If defects are discovered during use, the supplier is obliged to provide a replacement immediately, free of charge and free of defects, and to bear the resulting costs.

In the event that there is a change/innovation in relevant processes and/or manufacturing conditions (production processes, manufacturing methods, qualifying approvals or other technical changes to manufacturing processes and changes to service processes) during an ongoing order, the Supplier is obliged to examine the delivery item for all deviations and changes and inform distec ag in writing of the result before implementation. (See also: 13. Changes to approved products or services).

If the Supplier does not meet its obligations, we reserve the right to withdraw from the order in whole or in part and to assert further claims.

## **9. Transfer of benefits and risks**

Unless otherwise agreed, the benefits and risks pass to distec ag upon acceptance of the delivery.

If the shipping documents required in the order are not provided for a delivery, the delivery shall be stored at the Supplier's expense and risk until its admittance at distec ag.

## **10. Property and confidentiality**

All technical documents (illustrations, drawings, calculations, specifications, etc.), samples, models, tools, moulds, other items and other documents shall remain our property and are to be kept confidential. They may not be made accessible to third parties without our explicit written consent. They are to be used exclusively for manufacturing and/or services as based on our order. After the order has been processed or if it is not implemented, they must be returned to us unsolicited and free of charge. Applicable document: "Confidentiality Agreement" in the version signed by both parties.

The Supplier is responsible for appropriate storage and protection against damage.

If the Supplier has concerns about our technical documents, samples, models, forms, tools and/or other documents, it shall inform us immediately and before the order is implemented.

All products and services manufactured according to our documents or tools or protected according to the legal provisions of industrial property protection may only be delivered to us, never to third parties, nor may they even be lent or demonstrated to them.

## **11. Archiving**

The Supplier undertakes to maintain all development and/or manufacturing documents and records electronically and/or in paper form in legible format, adequately protected, for at least 10 years. If the working relationship between distec ag and the Supplier is terminated, the Supplier shall hand over to distec ag all development and/or manufacturing documents and records that were created in the context of joint orders, unless otherwise agreed.

## **12. Notification of deviations (error notifications)**

The Supplier is obliged to notify distec ag in writing of any deviations (non-conformities) to approved development data (approved design data), if necessary with a correction proposal. The decision to use as is, make a possible repair, or scrap shall be made by distec ag within a reasonable period. The costs for a possible repair, reworking or new production of the ordered products shall be borne by the Supplier.

## **13. Changes to approved products or services**

The Supplier is not entitled to make changes to approved products or services without distec ag's approval. Change requests must be made in writing. distec ag must have given written approval before implementing a change.

**14. Third-party rights**

The Supplier is responsible for ensuring that no third-party property rights (patents, samples, models, etc.) are violated through the use or resale of the ordered products/services. Otherwise, the Supplier shall hold distec ag fully harmless.

**15. Advertising**

The Supplier requires our written consent if it wishes to refer to our business relationship in its advertising.

**16. Prices**

The agreed prices are fixed prices. They apply as delivered free to destination (DDP Disentis), including packaging, public and private charges and, for foreign orders, including customs clearance.

**17. Packaging and accompanying documentation**

The packaging must be designed in such a way that the products are effectively protected against damage and corrosion during transport and subsequent storage. The Supplier is liable for damage caused by improper packaging. Returning the packaging materials at the Supplier's expense is an option.

Every delivery to distec ag must be accompanied by the documentation specified in the order, a detailed delivery note (with order number, part number, commission number, material identification and drawing number with index), certificates of approval, declarations of conformity, and other documents required in the order.

**18. Delivery dates and consequences of delays**

The delivery date specified in the order is binding. Partial shipments and early deliveries are only permitted by agreement. If the Supplier can foresee that it will not be possible to deliver on time in whole or in part, it must immediately provide notification of this in writing, stating the reasons and the probable duration of the delay. If the delivery time is exceeded, we reserve the right to withdraw from the order in whole or in part and to assert further claims.

**19. Spare parts**

The Supplier guarantees the supply of spare parts at competitive conditions for five (5) years.

**20. Force majeure**

distec ag and/or the Supplier shall provide immediate notification given the occurrence of a force majeure event (e.g. natural disasters, epidemics, war events, official measures, strikes) or of an event that distec ag and/or the Supplier could not have foreseen or averted. As long as the event continues, each party is entitled to withdraw from the contract. In the event of distec ag's withdrawal from the contract, the Supplier is only entitled to reimbursement of the procurement or production costs that it has already incurred. This also applies if such circumstances occur with sub-suppliers.

**21. Severability clause**

Should one or more provisions of these General Conditions of Purchase and Delivery be invalid or void, this shall not affect the validity of the remaining provisions. The void or ineffective provisions of these General Conditions of Purchase and Delivery shall be replaced by a valid provision in line with the meaning and purpose of these General Terms and Conditions of Purchase and Delivery.

**22. Place of performance and court of jurisdiction**

In the event of any dispute, the parties shall first endeavour to find a solution through an open discussion. The place of performance and court of jurisdiction for both parties is 7180 Disentis (GR). The legal relationship is subject to Swiss law.

Status as of 01.01.2020