

1. SCOPE

- 1.1. The present general conditions of sale and delivery drawn up by PORTE-ECHAPPEMENTS SA (hereinafter referred to as the "Supplier") shall hereby apply to all sales and deliveries made by the Supplier to their clients as long as these conditions remain without amendment or supplementation in the form of a written agreement between the parties.
- 1.2. In the absence of written amendment from the supplier, the valid terms and conditions shall be those described under the present conditions of sale and delivery and which shall apply to all deliveries without prior notification. According to the present clause, the client renounces the right to enforce his/her own "general conditions" for all matters within the scope of the contract.

2. CLIENTS

- 2.1. Clients order the "products" and shall receive confirmation of the order, the merchandise and invoices, which shall be paid according to the methods of payment described under art. 6.
- 2.2. Each client undertakes to pay for the products ordered. The Supplier reserves the right to demand that the client provide a bank guarantee or that the goods are paid up in full prior to the delivery.

3. CONCLUSION OF CONTRACT

- 3.1. The Supplier shall be bound by the offer for 30 days or for the period indicated on the offer.
- 3.2. The orders shall clearly specify all details for performance. The client is responsible for the wording and legibility of the order.
- 3.3. The contract shall be deemed to have been concluded on receipt of the Supplier's written confirmation or on performance.
- 3.4. The nature and scope of the services provided by the Supplier shall be definitively fixed by the confirmation of the order. Services not included in the confirmation shall form the object of a separate agreement and shall be invoiced separately.

4. DELIVERY PERIODS

- 4.1. The delivery periods indicated shall only serve as an estimate. They run from the date of the order's confirmation up until the products leave the supplier's factory.
- 4.2. The delivery periods may be prolonged if:
 - The information needed to complete the order is not conveyed to the Supplier on time, or if the client subsequently changes the information and thus causes a delay in the production time.
 - Unforeseeable difficulties arise that the Supplier is unable to avoid, despite all efforts to meet the order. Such difficulties shall include in particular significant disruptions to the company's activities, accidents, labour strife, delayed or defective deliveries of primary materials or semi-finished or manufactured products, restrictions imposed by the authorities, natural disasters and other acts of God, such as wars and acts of terrorism.
 - The client or a third party are delayed in the completion of their work or contractual performance and especially if the client fails to adhere to the conditions of payment.
- 4.3. Failure to adhere to the delivery periods shall not provide reason for the client to claim damages or cancel the contract.

5. PRICES

- 5.1. All the Supplier's prices are calculated in Swiss Francs. If the Supplier raises or lowers the prices, the applicable price shall be the price in force on the day of delivery.
- 5.2. The prices shall be deemed to be the net value, ex factory (EXW-INCOTERMS 2000) without packaging and value added tax. The client shall be liable for additional costs such as insurance, taxes, duties and authorization fees or certifications, etc.
- 5.3. The prices according to quantity are valid for the quantity stipulated on the order and are to be delivered within a year.

6. METHODS OF PAYMENT

- 6.1. The buyer undertakes to settle all payments in full, in Swiss Francs with the banks stipulated on the invoices and without any sort of banking deductions. The obligation to pay is fulfilled when the Supplier can freely dispose of the relevant sum.
- 6.2. The terms and conditions regulating periods of payment and interest on arrears, are as following
 - Unless the client and the Supplier have agreed on special conditions for payment, the client will be invoiced at the time of delivery.
 - Payment shall be made within 30 days of invoicing
 - Demand to pay will automatically be made after the expiry for payment. As of this date interest on arrears will be levied at 10% per annum. The Supplier reserves the right to institute proceedings against the client for any other damages and the right to cancel the contract after the stipulated period.
- 6.3. Compensation for claims and other uncontested demands as well as objections to the lien as a counter claim on the buying price, shall require the written consent of the Supplier.

7. PRETENTION OF OWNERSHIP TITLE, GARANTUEES AND RIGHTS OF USE

- 7.1. The Supplier shall remain the owner of all the products delivered until the purchase price has been paid up in full. The Supplier is authorized to register the retention of the ownership title in the official company register and to perform all the relevant formalities at the cost of the client. The client herewith gives the Supplier power of attorney to undertake such necessary measures. For so long as the Supplier shall retain title, the client is obligated to maintain the products in the state in which they were delivered and at his/her expense to insure them, on behalf of the Supplier, against theft, disappearance fire, water and other damages. Furthermore, the client is obligated to take all measures necessary to ensure that the Supplier's retention of the title is not placed in jeopardy.
- 7.2. In the event that other products including the buyer's products are co-mingled with those of the Supplier, the Supplier shall be made joint-owner of the objects in question in proportion to the value of the Supplier's constituents.
- 7.3. Should the client fail to fulfill his/her obligation to receive / pay after a further delay of 15 days, the Supplier may, during the period of delay in receipts / payment, lawfully transfer the products ordered by the client into the ownership of a third party, without regard for the client's rights.
- 7.4. If the client's solvency is doubtful, particularly in the event of a delay in payment, the Supplier may demand payment in advance or guarantees for the credits owing before continuing with new deliveries.

8. INTELLECTUAL PROPERTY

- 8.1. The intangible rights to the products are the exclusive property of the Supplier.
- 8.2. The Supplier shall not be held responsible for products that have been changed or adapted by the client and provides no guarantee for such products. Furthermore, under such conditions the Supplier reserves the right to take legal action against the client to claim damages for the infringement of Supplier's intellectual property rights.
- 8.3. The Supplier reserves the right to implement changes to the products as well as to the product lines and ranges.

9. PRODUCT GUARANTEE, LIMITATION OF THE GUARANTEE AND LIABILITY

- 9.1. The client undertakes to inspect the deliveries during the 15 days after their arrival on his/her premises. Claims against all defects perceived during the inspection must be made in writing within this period.
 - The guarantee shall only cover products delivered by the Supplier. The guarantee provided by the Supplier enters into effect on the delivery date and lasts for a year. The guarantee may only be exercised when the products are identifiable by the minimum of a serial number. The guarantee shall only apply to defects resulting from a flaw in the material or manufacturing defect. In all instances the guarantee is limited to replacing the product or restoring it to its original state.
- 9.2. The supplier shall not be held liable for the costs of installing or dismantling the products nor for any damages resulting directly or indirectly from the products themselves, their use or their potential flaws. The supplier disclaims all responsibilities for consequential damages of any other nature, especially the failure to profit.
- 9.3. Any claims whatsoever brought by the client against the Supplier for negligence resulting in a breach of its contractual or legal obligations shall be inadmissible and the client hereby renounces its right to bring such claims.
- 9.4. The Supplier may not be held responsible for any damages incurred by a third party.

10. PARTIAL DELIVERIES

- 10.1. The client is obliged to accept partial deliveries by the Supplier.

11. METHODS OF DISPATCH

- 11.1. In so far as no special agreement is concluded between the two parties to the contrary, the Supplier may determine both the method and the route for the dispatch of the products. In the exceptional case that the supplier shall bear the transportation costs, any increases in these introduced after the conclusion of the contract shall be at the client's expense.

12. TRANSFER OF POSSESSION AND OF RISK

- 12.1. The possession of the products and the risks attached shall be transferred from the Supplier to the client at the time that they leave the factory. If on the client's request, or for reason beyond the scope of the Supplier's responsibilities, the agreed upon period for delivery is delayed, the risks attached to the products shall be stored at the risk and expense of the client.
- 12.2. The client shall lodge all claims for consequential damages to the products incurred during their transportation directly with the shipping company and within the periods provided for this purpose.
- 12.3. Should the conditions applied be other than those stipulated under EXW (ex works -ex factory) for example FOB, CFR, CIF, they shall also be defined by the INCOTERMS 2000.
- 12.4. In the event of war, unavoidable breakdown of operations, strike, lockout, shortage of power or primary materials, fire, transport disruptions, which prevent the relevant profitable activities being carried out within a reasonable delay as well as all acts of God which affect the Supplier or its supplier(s), The Supplier shall be released from its obligation to deliver for the duration of the disruptions and, according to the extent of its effects, from subsequent obligation to deliver. Events of this nature shall authorize the Supplier to terminate all or part of the contract, without giving the buyer the right to claim damages.

13. PARTIAL NULLITY

- 13.1. Should certain terms and conditions of the present agreement for sale and delivery become invalid; the remainder of the terms and conditions shall not be affected. The invalid condition shall be replaced by a regulation, which provides the parties concerned with the intended economic result in an efficient and legally admissible manner.

14. LANGUAGE OF ORIGIN

- 14.1. The present general conditions of sale and delivery are available in French, English and German. The French version is the authentic text.

15. APPLICABLE LAW AND JURISDICTION

- 15.1. The Supplier's contracts are subject exclusively to the substantive laws of Switzerland. All disputes arising hereunder shall be determined by the courts in La Chaux-de-Fonds (NE).
- 15.2. The parties hereby expressly exclude the applicability of THE UNITED NATIONS CONVENTION on international contracts of sale of 11 April 1980.