

General purchasing conditions of FOLAG AG

1. Introduction

Deliveries from sub-suppliers are an integral part of our ISO 9001 Quality Management System. Our suppliers are systematically controlled and assessed. Suppliers holding an internationally recognised QA certificate are requested to let us have their certification number.

The purpose of these General Purchasing Conditions and the logistics requirements is to optimise the working relationship with suppliers and their sub-suppliers.

The General Purchasing Conditions and the logistics requirements apply to all our purchases, unless otherwise agreed.

2. Form of order, order confirmation, accompanying documents, invoice

Our orders are only binding if issued or confirmed in writing. This applies also to modifications, additions, specifications, drawings and sketches. Our buying terms and conditions are according to incoterms 2000 DDP (delivered duty paid). The place of destination will be indicated on our order.

We expect to receive a full order confirmation within 5 days, addressed to the person who ordered the goods. If such confirmation is not received, the order shall be deemed accepted subject to the conditions stated therein.

All documents from the supplier must quote the order number, the name of the person who has ordered the goods and the Folag article number of each item including indication of quantity.

3. Date and quantity of delivery

The delivery date shown on the order or its confirmation which has been accepted through our buyer is binding and relates to the date of arrival. If deadlines cannot be met, the responsible buyer must be informed in advance. For all kind of delivery delays the conditions of the Swiss Code of Obligations regarding non-compliance applies.

The quantity of goods delivered should be the same as was ordered. Any excess quantities or shortfalls differing by 10% or more from the order quantity must be discussed with the responsible person

Delivery by truck must be confirmed 24 hours in advance, otherwise a penalty of CHF 80.00 per delivery will be invoiced.

4. Prices

The agreed prices are considered as fixed prices, unless a written agreement exists to the contrary. All other conditions are set out in the order.

5. Materials, documentation, tools, films and templates

Data, documentation and any kind of materials (drawings, metals, devices, tools, models, etc.) that are verifiably our property may not be given in any form to third parties or used by third parties without our written consent. The supplier is responsible for any damage to our property and therefore undertakes to handle and store these materials with all due care, and also to consult us regarding insurance against damage.

6. Receipt of goods, complaints

It is our aim to use the goods that we receive – subject to arrangement with the supplier – without carrying out a receiving inspection. For this reason the supplier undertakes to check that the goods are of the requested manufacturing quality before delivering them and to observe the logistics requirements of Folag. Any requested attestations, protocols etc. are to be delivered with the goods.

Raw materials and semi-finished goods found to be defective during processing are to be replaced at no charge, regardless of the period that has elapsed between delivery and complaint.

Any defects will be remedied by us or by third parties and fully charged to the supplier, at actual cost.

7. Payment

Payments will be made according to the agreed conditions stated on the order or the order confirmation (if nothing was agreed upon, 45 days 3% discount payment applies 90 days net), after receipt of goods in perfect condition.

Payments will only be made to the supplier. A transfer of the supplier's accounts receivable is only possible with our written consent.

Invoices must show the registered VAT number of the person or company issuing the invoice. The amount of VAT must be clearly stated.

8. Reservation of proprietary rights

A reservation of proprietary rights on the part of the supplier is excluded, unless in individual cases other arrangements exist in writing.

9. Place of performance and jurisdiction, applicable law

Place of performance for delivery and payment is Sempach Station (Commune of Neuenkirch). Place of jurisdiction is the local court of Sursee. The legal relationship is subject to Swiss law.