

General conditions of delivery

1 General

- 1.1 The contract for the supply of products and services by MTE Meter Test Equipment AG (in the following MTE) shall only be deemed binding upon receipt of written acknowledgement of the order. Offers that do not stipulate an acceptance period shall not be binding.
- 1.2 These general conditions of delivery shall be binding if declared applicable in the tender or in the order acknowledgement. Any conditions stipulated by the buyer which are contradiction to these general conditions of delivery shall only be valid if expressly acknowledged by the supplier in writing.

2 Scope of supplies and services

- 2.1 The supplies and services are exhaustively specified in the order acknowledgement and its potential appendices.

3 Technical documents and advertising material

- 3.1 Unless otherwise agreed upon, brochures and catalogues are not binding. Data contained in technical documents shall be binding only if expressly stipulated as such.
- 3.2 Each party to the contract reserves all its rights with respect to designs, technical documents and software provided to the other party. The receiving party acknowledges these rights and shall – without previous written consent of the other party – not make these documents available to any third party, either in whole or in part, nor use them for purposes other than those for which they are handed over.

4 Prices

- 4.1 Unless otherwise agreed upon, all prices shall be deemed to be net ex works (EXW) including Swiss turnover tax, if any, excluding packing, without any deduction.
- 4.2 Currency parities or governmental taxes, or in case the wage rates or the raw material prices vary between the submission of the tender and the contractually agreed performance. In addition, an appropriate price adjustment shall apply in case the delivery time has been subsequently extended due to any reason stated in article 7.2, or any documents furnished by the buyer were not in conformity with the actual circumstances, or were incomplete.
- 4.3 MTE shall not impose any minimum order value or quantity. However, where the order value of any single delivery is less than CHF 600.-- or EUR 600.--, MTE is entitled to charge the buyer a handling fee of CHF 100.- or EUR 100.-.

5 Terms of payment

- 5.1 Payments shall be made at MTE's domicile, without any deduction for cash discounts, expenses, taxis, levies, fees, duties etc. Unless otherwise agreed in writing, net payment shall be due within 30 days of the date of invoice. Expenses incurred by the buyer may not be off set against payment due to of MTE in terms of this contract.
- 5.2 The buyer shall contact MTE by telephone immediately on receipt of any communication relating to any change of MTE's bank accounts by any means to verify the validity of such change in bank account. The buyer will bear responsibility for ensuring that payments are made to MTE's correct bank account as payment into the wrong bank account will not constitute valid payment.
- 5.3 If the buyer is late with respect to the agreed terms of payment, he shall be in default without reminder and shall be liable to pay default interest from the date on which the payment was due at a rate of 8% p.a.
- 5.4 The buyer shall not withhold payment or reduce the amount thereof on the ground of complaints. Furthermore, MTE reserves the right to cease delivery of other contracts which have already been signed and to cancel such contracts.

6 Reservation of title

MTE shall remain the owner of all supplies until having received the full payments in accordance with the contract. Upon entering into the contract the buyer authorises MTE to enter or notify the reservation of title in the required form in public registers, books or similar records, all in accordance with relevant national laws, and fulfill all corresponding formalities, at buyer's cost. During the period of the reservation of title, the buyer shall, at its own cost, maintain the supplies and insure them for the benefit of MTE against theft, breakdown, fire, water and other

risks. It shall further take all measures in order to ensure that MTE's title is not prejudiced in any way whatsoever.

7 Delivery time

- 7.1 The delivery time shall start as soon as the contract is entered into, all official formalities have been completed, payments due with the order have been made, any agreed securities given, and the main technical points settled. The delivery time shall be deemed to be observed if, on its expiry, delivery has been affected, or the buyer has been informed that the supplies are ready for delivery.
- 7.2 The delivery time is reasonably extended:
 - a) If the information required by MTE for performance of the contract is not received in time, or if a delay is caused by subsequent modifications or supplements requested by the buyer.
 - b) If hindrances occur which MTE cannot prevent despite using the required care, regardless of whether they affect the supplier or the buyer or a third party. Such hindrances include, but shall not be limited to, epidemics, natural catastrophes, official action or omissions by any state authorities or public bodies, mobilization, war, terrorist activities, revolution, labour conflicts, accidents or other serious breakdown in the works, late or deficient delivery by subcontractors of raw materials and semi-finished or finished products. In any such event, the parties to the contract shall agree on an adequate modification of the contract.
 - c) If the buyer himself or any third party charged by him are behind schedule with work to be done by them, or in default with respect to contractual obligations, or in particular if the buyer fails to comply with terms of payment.
- 7.3 The buyer shall be entitled to claim liquidated damages for delayed delivery in so far as it can be proved that the delay has been caused through the fault of MTE and that the buyer has suffered a loss as a result of such delay. If a substitute delivery can be supplied, the buyer cannot claim compensation for default. Compensation for delayed delivery shall not exceed 0.5 per cent for every full week's delay and shall by no means exceed five (5) per cent of the contract price of that part of the supplies that is delayed. The first two (2) weeks of a delay shall not give rise to any claim for compensation. After reaching the maximum liquidated damages for delayed delivery, the buyer shall grant the supplier a reasonable extension of time in writing. If such extension is not observed for reasons within MTE's control, the buyer shall have the right to reject the delayed part of the supplies or services concerned. If a partial acceptance of supplies cannot be reasonably expected of him for economic reasons, the buyer shall be entitled to withdraw from the contract and to claim refund of payments already made, against restitution of supplies received.
- 7.4 The buyer shall not be entitled to raise any claims and he can assert no rights in the event of delayed supplies or services, except those expressly stipulated in this article 7. Further claims for damages may be raised only in the event of damage caused by gross negligence or unlawful intent by MTE and only to the extent the above compensation for default has proved insufficient to cover the damage caused.

8 Acceptance of Goods and Cancellation

- 8.1 Upon placing an order and acceptance by MTE, the buyer agrees to fulfill its contractual obligations, including accepting delivery of the goods as specified in the order. In the event of cancellation by the buyer prior to accepting delivery of the goods, the following terms shall govern.
 - a) Cancellation notice: The buyer shall provide written notice of cancellation to MTE within 45 days prior to the scheduled delivery date. Failure to provide timely notice may result in forfeiture of any deposits or payments made by the buyer.
 - b) Cancellation fee: If the buyer cancels the order after acceptance by MTE but before delivery, the buyer shall pay a cancellation fee to compensate MTE for any costs incurred up to the time of cancellation, including but not limited to production, packaging, and administrative expenses.

- c) Obligation to accept delivery: Notwithstanding any cancellation by the buyer, the buyer shall remain obligated to accept delivery of any goods already produced or in transit at the time of cancellation. The buyer shall be responsible for any additional costs associated with holding or returning such goods.

9 Passing of benefit and risks

- 9.1 The benefit and the risk of the supplies shall pass to the buyer by the date the delivery leaves the works.
- 9.2 If dispatch is delayed at the request of the buyer or due to reasons beyond MTE's control, the risk of the supplies shall pass to the buyer at the time originally foreseen for their leaving the works. From this moment on, the supplies shall be stored and insured on the account and the risk of the buyer.

10 Examination and acceptance of supplies and services

- 10.1 As far as being normal practice, MTE shall inspect/examine the supplies and services before dispatch. If the buyer requests further examinations to be conducted, they shall have to be agreed on separately and are carried through at the buyer's expense. A special acceptance examination and the provisions for its implementation shall be made the object of a special agreement.
- 10.2 The buyer shall examine supplies and services within a reasonable period of time and shall notify MTE immediately in writing in the event of any defect. If the buyer fails in doing so, supplies and services are deemed to have been accepted.
- 10.3 Defects of any kind in supplies or services shall not entitle the buyer to any rights and claims other than those expressly stipulated in article 10 and article 11 (Product Warranty).

11 Product Warranty

- 11.1 Unless expressly agreed otherwise in writing, the warranty period for defects in the product shall be twelve (12) months. It shall run from when the supplies leave the works. If dispatch of the products is delayed for reasons beyond MTE's control, the warranty period shall end not later than 18 months after supplier's notification that the supplies are ready for dispatch. For replaced or repaired parts of the products the guarantee period starts anew and lasts six (6) months starting, as the case may be, from the moment the replacement has been effected, or the repair work has been finished, provided that the warranty period for the products as a whole, pursuant to the preceding paragraph, expires at an earlier date.
- 11.2 The warranty for defects expires prematurely if the buyer or third parties carry out improper modifications or repairs or if the buyer, in case of a defect, fails to take immediately all appropriate steps to mitigate damage and grants MTE the possibility to remedy the defect in accordance with article 11.
- 11.3 Only a product not meeting the warranted characteristics and the buyer having notified MTE in writing during the warranty period constitutes a defect. Warranted characteristics are only those which have been designated as such in the specifications.
In case of a defect, the buyer shall first be entitled to immediate rectification of the defect by MTE. For this purpose, the buyer shall grant MTE the necessary time and opportunity. If this rectification is not successful or only partially successful, MTE may replace the defective product. The defective parts shall be delivered to MTE upon request. If defective parts are replaced, the replaced defective parts shall become the property of MTE. If both the repair is unsuccessful and the replacement is also defective, the buyer shall be entitled to a reasonable reduction of the price but not to terminate the contract.
- 11.4 The buyer shall organize and bear the costs of access for MTE to the defective stations or equipment for repair or replacement, including removal and installation of systems, structures or other parts of the buyer's equipment, de-installation, re-installation and transportation of defective products or components to MTE.
Freight and transportation costs of the return transport to the buyer for replaced parts shall be borne by MTE.
- 11.5 Excluded from MTE's warranty for defects are all defects which cannot be proven to have their origin in bad material, faulty design or poor workmanship, e.g. those resulting from normal wear, improper maintenance, failure to observe the operation and using instructions, excessive loading, use of any unsuitable material, influence of chemical or electrolytic action,

building or erection work not undertaken by MTE, or resulting from other reasons beyond MTE's control.

- 11.6 The buyer shall have no further or other rights and claims under warranty other than those expressly stated in articles 11.1 to 11.5.

12 Exclusion of further liability

Any rights and claims on the part of the buyer other than those expressly stipulated in these general conditions of supply are excluded, irrespective on what ground they are based; this in particular refers to claims for damages, reduction of price or termination of the contract unless expressly stipulated therein. In no case whatsoever shall the buyer be entitled to claim damages other than compensation for costs of remedying defects in the supplies. This in particular refers, but shall not be limited, to loss of production, loss of use, loss of orders, loss of profit and other direct or indirect or consequential damages. These exclusions of liability shall not apply in the event of gross negligence or unlawful intent but do apply to unlawful intent or gross negligence of persons employed or appointed by MTE to perform any of its obligations.

13 Erection

If MTE undertakes also the erection or the supervision of the erection, the General Conditions of Erection 2021 of the Swiss association of mechanical and electrical engineering industries (Swissmem) shall apply.

14 Jurisdiction and applicable law

- 14.1 Exclusive place of jurisdiction for the buyer and non-exclusive place of jurisdiction for MTE shall be at the registered office in Zug, Switzerland. MTE shall, however, be entitled to sue the buyer also at the latter's registered address.
- 14.2 The present contractual relationship is governed by Swiss substantive law.