

1. General

1.1. These general terms and conditions of purchase shall apply to the current and future purchasing of goods and services ("objects of delivery") of BACHER AG ("BACHER") from the supplier or service provider ("Supplier").

1.2. Deviating or supplementary terms shall only apply if these are agreed in text form (in writing, by fax or by email). Deviating or supplementary terms and conditions of the contractor shall also not become part of the contract in particular, even if BACHER accepts the object of delivery without reservation.

2. Ordering process

In submitting an enquiry, BACHER requests that the Supplier submit a free-of-charge offer. In the offer the Supplier must comply with the guidelines and descriptions of BACHER and must provide express reference in case of deviations. Unless expressly agreed otherwise, the Supplier must remain bound by its offer for 3 months from the date of the offer.

3. Order

3.1. Deviations from the order must be stated expressly in the order confirmation. These shall only become part of the contract if BACHER declares its express agreement to such.

3.2. Following conclusion of the contract, BACHER shall have the right to request changes in respect of the object of delivery, in particular concerning specifications, drawings, design, constructions, time and location of the delivery, packaging, quality, quantity and means of transportation.

3.3. Should such a change lead to an increase or reduction in costs for the Supplier or should the time of delivery be postponed,

the Supplier must inform BACHER as soon as possible, at the latest within 7 working days of the additional costs to be expected and/or the scope of the delivery delays. The Parties shall then agree a reasonable adjustment to the remuneration of the Supplier or the time of delivery as quickly as possible.

4. Delivery delay

4.1. Partial deliveries and premature deliveries will only be accepted by BACHER if these were agreed in advance.

4.2. The order number must be stated in all shipping papers and delivery notes.

4.3. The Supplier shall be obliged to immediately inform BACHER if circumstances arise or become apparent, due to which the agreed delivery time cannot be complied with.

5. Packaging, transport, transfer of risk

5.1. The Supplier shall deliver in accordance with the most up-to-date recognised rules of technology and in accordance with the respective applicable legal provisions. The Supplier is aware that BACHER works in the railway sector and that the objects of delivery of the Supplier are being used in rail vehicles. In particular, the Supplier shall be obliged to comply with the international railway industry standard.

5.2. Unless otherwise agreed, the transfer of risk in respect of the goods shall take place in accordance with the Incoterm 2010 agreed in the supply contract. In case of lack of agreement of an Incoterm or in case of a regulation concerning transfer of risk, at the time of proper delivery to the agreed delivery location (and in case the place of performance is not stated, at the factory premises of

BACHER), in case of delivery with assembly, once the assembly process has been completed at the place of use.

- 5.3 The Supplier shall incur liability in respect of proper packaging. The packaging must be of such a nature that the goods are protected against transportation damage during the delivery and for storage.

6. Price, payment terms

- 6.1. The prices stated in the order are fixed prices. Unless otherwise agreed, the price shall be inclusive of delivery to the agreed destination, inclusive of packaging.
- 6.2. Invoices can only be processed if these contain the order number stated in the order.
- 6.3. The applicable value added tax and the tax number of the Supplier, as well as the tax office which is responsible for the Supplier must be stated in the invoice.
- 6.4. Unless otherwise agreed, the agreed price shall be due for payment within 10 days, calculated from the time of delivery and/or provision of service and receipt of the invoice with a 3% discount or within 30 days with a 2% discount or within 60 days net.

7. Warranty, defect notification

- 7.1 The Supplier hereby provides a guarantee that the object of delivery demonstrates the agreed quality, is new and corresponds to the state of the art and that it does not demonstrate any defects which impair its value or fitness for the intended use. The object of delivery must correspond to the valid norms, laws, environmental protection and accident prevention regulations, as well as other country-specific regulations of the final country of delivery stated in the order. The object of delivery shall, if applicable, include all assembly, operating or

maintenance instructions, as well as all necessary warnings and other information.

- 7.2. Unless a joint acceptance is agreed and in reservation of deviating regulations in a quality assurance agreement concluded between the Parties, objects of delivery will be inspected by BACHER within the framework of a goods-in inspection for identity, quality and any recognisable external damage during transportation. Otherwise, defects of the delivery will be determined in accordance with the principles of proper business processes. To this extent, the Supplier hereby waives the plea of delayed defect complaint. Defects shall be notified to the Supplier within 14 days of receipt of the goods and in case of hidden defects, following their ascertainment.
- 7.3. Should a contractual performance guarantee and performance test be agreed for the purpose of proof of fulfilment of the performance guarantee, the performance guarantee shall include the uninterrupted fulfilment of the agreed service during the test. The test should be carried out during the contractually agreed timeframe and repeated a maximum of two times. Should the object of delivery not fulfil the performance guarantee, BACHER shall be entitled to the agreed defect rights, and, should these be lacking, the statutory defect rights.
- 7.4. In case of non-compliance with the guarantee undertakings stated above, BACHER shall be entitled to the statutory defect claims. In addition, in the event of a defect(s) the Supplier must bear the costs incurred for the disassembly and assembly of the object of delivery, as well as any transport costs, customs charges, fees or other duties, should the repair of the object of delivery not be possible at the end location which is stated in the order.
- 7.5. Following prior notification to the Supplier, BACHER shall be entitled to carry out the defect correction by itself at the expense

of the Supplier, should danger in delay be present or in cases of special urgency.

- 7.6. The warranty period is 3 years. It shall commence at the time of delivery to the place of performance or, should acceptance be agreed, at the time of successful acceptance. Longer statutory limitation periods shall also remain unaffected, such as the statutory regulations concerning the start of the limitation period, the suspension of the limitation period and the recommencement of deadlines. The limitation period shall be suspended in case of a defect complaint by BACHER.

8. Liability

- 8.1. Unless otherwise provided in the contract concluded between the Parties or in these terms and conditions of purchase, the Supplier shall incur liability for all damage and losses incurred by BACHER due to a breach of the obligations under the contract concluded with BACHER.

- 8.2. BACHER shall incur liability for losses caused by it due to intent or gross negligence.

9. Insurance

- 9.1. The Supplier shall take out insurance with reputable and solvent insurance companies at its own expense, which covers the liability of the Supplier in relation to BACHER and third parties to the necessary extent. BACHER shall be entitled to request proof from the Supplier concerning the taking out of such insurance with a specific amount insured and specific insurance sums.
- 9.2. The existence of an insurance contract shall not lead to a restriction of the obligations of the Supplier under these general terms and conditions of purchase or under the contract concluded between the Parties.

10. Replacement parts

For a period of at least ten (10) years following the delivery of the object of delivery, the Supplier shall be obliged to deliver replacement parts to BACHER on competitive terms.

11. Supplies

Should BACHER provide the Supplier with parts, BACHER shall reserve the ownership in respect of these. Processing and reshaping by the Supplier shall be carried out for BACHER. Should the provided goods subject to reservation of ownership be processed with other objects which do not belong to BACHER, BACHER shall acquire co-ownership in the new item correspondent to its value (manufacturing cost or purchase price plus value added tax) with the other processed objects at the time of processing.

12. Drawings, manufacturing equipment, work tools of BACHER

- 12.1. All statements, drawings, plans, manufacturing equipment, work tools, samples and similar which are transferred to the Supplier for the manufacturing of the object of delivery shall remain the property of BACHER and may not be used for other purposes, duplicated or made accessible to third parties. On request, these must be returned to BACHER.

- 12.2. The Supplier shall be obliged to label the manufacturing equipment, work tools or samples which belong to BACHER as being its property and to insure such items at its own expense to the replacement value against fire, water damage and theft. The Supplier hereby assigns to BACHER all compensation claims under the said insurance. BACHER hereby accepts the assignment. The Supplier shall be obliged to carry out at its own expense any necessary inspection and maintenance in respect of manufacturing equipment and work tools which belong to BACHER, as well as any repair work. Any breakdowns must be notified to BACHER immediately.

13. Breach of commercial property rights or third party copyright

The Supplier shall release BACHER from all losses, costs, claims and expenses (including court and legal action costs, as well as settlements in respect of such claims and lawsuits), defend these and hold BACHER free from liability in connection with all claims or lawsuits of a third party which are brought against BACHER or its customers due to the objects of delivery or their use by BACHER or its customers agreed with the Supplier infringing commercial property rights or copyright of the said third party claimant. Regardless of the above, the Supplier shall not incur liability should the breach be due to the manufacturing of the object of delivery being carried out in accordance with the instructions of BACHER and if the Supplier was not aware that the following of the said instructions could lead to a breach of commercial property rights or copyright of a third party, despite the application of degree of care which is customary in the sector.

14. Non-disclosure, advertising

14.1. Both Contracting Parties shall be obliged to treat all commercial and technical information of the other party of which they become aware in the course of their business relationship confidentially and as a business secret, unless the said information became or does become generally known without fault on the part of the receiving party. Following a request by BACHER, the Supplier shall conclude a comprehensive non-disclosure agreement with BACHER.

14.2 Drawings, models, templates, samples and similar objects may only be disclosed to third parties or otherwise made accessible if the owning party has issued its prior agreement to such. The duplication of the said objects shall only be permitted by agreement with the owning

party and in accordance with the provisions of copyright laws.

15. Social responsibility

15.1. The Supplier shall be obliged to comply with the respective statutory regulations concerning the treatment of employees, protection of the environment and safety in the workplace. The Supplier shall ensure that detrimental effects on people and the environment due to its activities are kept to the absolute minimum. The Supplier shall be obliged to perform the contract in compliance with the principles of the Global Compact UN initiative, as well as the "Declaration on fundamental principles and rights at work" of the International Labour Organisation.

15.2. The Supplier shall not participate either actively or passively, directly or indirectly in any form of bribery or corruption, breach of human rights or discrimination against its employees, forced labour or child labour.

16. General provisions

16.1. Should one of the provisions or part of a provision of these terms and conditions of purchase be or become ineffective or unenforceable, this shall be disregarded and the validity of the remainder of these terms and conditions of purchase shall not be affected thereby. If necessary, BACHER and the Supplier shall be obliged to replace the ineffective or unenforceable provision by an effective and enforceable clause which comes to it as close as possible in economic terms, provided that this does not lead to a significant change to the contents of these terms and conditions of purchase.

16.2 Without the prior agreement of BACHER, the Supplier may not assign the rights and obligations under a supply or service contract to third parties in full or in part or

have essential parts thereof carried out by sub-contractors or sub-suppliers.

17. Applicable law, place of jurisdiction

- 17.1. These terms and conditions and all contracts to which these apply shall be subject to Swiss material law, to the exclusion of the Swiss law of conflicts. The United Nations Convention concerning the International Sale of Goods ("Vienna Convention") dated 11.04.1980 shall be excluded.
- 17.2. The exclusive place of jurisdiction shall be the place of business of BACHER. However, BACHER shall be free to bring a lawsuit before another competent court.
- 17.3. Should a personal injury and/or property damage claim connected to a product defect ("product liability") or a claim due to a breach of property rights or other breaches of contract be brought against BACHER before a court by a third party, BACHER shall be able to initiate the necessary procedural steps at the place of jurisdiction concerned, in order to assert any claims to release or recourse against the Supplier. In such a case, the law applied by the respective court shall apply exclusively in respect of the rights and obligations of the Parties.