

1. Scope

The present Terms & Conditions shall form part of the Contract and therefore shall be legally binding if declared applicable by LB Industrials Solutions AG (hereinafter called "Supplier") in its offer or order confirmation. Clients' contrary conditions shall only be valid if expressly accepted as such by the Supplier in writing. All agreements contrary to the present Terms & Conditions shall require written form in order to be effective.

2. Payment terms

The client shall make payments net in full at the Supplier's domicile, without deduction of discount, taxes, charges, customs duties etc., within 30 days of the invoice date, unless otherwise agreed. Such payment obligation shall be deemed met if the outstanding amount is available on an account designated by the Supplier. If the client does not pay as contractually required the Supplier shall be entitled, without issuing a reminder, to levy default interest at the rate of 5% from the due date stated on the invoice, and to set a period of grace for settlement of the payment. If full payment is not made within that period, the Supplier shall be entitled to abide by the contract or to withdraw from it and, in either case, to claim compensation. The client shall have no right of set-off.

3. Worsening of client's financial position

If the client falls into arrears of payment or if other circumstances emerge which, by proper commercial reckoning, indicate a significantly worsened financial situation, the Supplier shall be entitled to require cash in advance or appropriate collateral security, thereby overriding the Supplier's obligation of advance performance.

4. Delivery period

The delivery period shall commence when the contract is concluded, all necessary official formalities are fulfilled and all order-related documents are available and finalized. The delivery deadline shall be deemed met if, by the time of its expiry, the client has been notified of readiness for despatch. Save in case of gross negligence or wilful misconduct on the part of the Supplier, the client shall have no claim to compensation for delay. The delivery period shall be reasonably extended if a delay, for which the Supplier is not to blame, arises in the performance of the contract.

5. Passing of risk and of benefit

Unless otherwise agreed, risk and benefit shall pass to the client no later than departure of the consignment from the works.

6. Warranty

The Supplier shall warrant only that the supply has no defects of material or execution which severely impair it for ordinary use or render it unfit for that purpose. The client shall report apparent defects to the Supplier within eight days of taking delivery. If the client does not promptly report apparent defects, the supply shall be deemed approved. Hidden defects shall be reported to the Supplier within eight days of detection.

Unless otherwise agreed, the warranty period shall be six months. The Supplier undertakes, at its discretion, either to remedy proven defects or to replace the faulty parts, up to expiry of the warranty period. The client shall have no further claimable rights in respect of defects, especially no right of rescission of sale, of reduction of the purchase price or of compensation.

7. Liability

In all cases of default or bad performance, not expressly governed by these Terms & Conditions, the client may grant the Supplier a period of grace. If such period elapses to no avail, through fault of the Supplier the Client may, in respect of the affected services, withdraw from the contract and claim a proportionate refund of payments made. Such compensation entitlement shall be limited to the contractual value of the affected portion of the supply.

All instances of breach of contract and the legal consequences thereof, and all claims by the client, irrespective of legal grounds, shall be exclusively governed by these Terms & Conditions. Specifically all claims to compensation, to purchase price reduction, or to cancellation or rescission of contract shall be excluded. The client shall have no claim whatsoever to compensation for losses not arising from the subject of supply, e.g. from loss of production, of use, of order, of profit or from other direct or indirect losses. Such disclaimer of warranty shall not apply to wilful breach of the law or gross negligence on the part of the Supplier, but shall apply to such wilful breach of the law or gross negligence on the part of auxiliary persons.

Such disclaimer shall not apply where mandatory law provides otherwise.

8. Place of performance

Unless otherwise agreed, the place of the Supplier's business shall be deemed the place of performance for both Parties.

9. Jurisdiction and applicable law

Sole jurisdiction for Client and Supplier shall be the place of the Supplier's business. The Contract shall be governed by Swiss substantive law, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980.

Further terms and conditions for accredited areas

1. Scope

The following further terms and conditions shall apply to the accredited area of LB Materialprüfung AG.

2. Acceptance and inspection

Acceptance testing by the client on the Supplier's premises shall be agreed in writing in the order.

The Client shall be entitled, at reasonable notice, to inspect the progress of the work of testing during current operations.

3. Subcontracts

Responsibility for subcontracted testing shall rest with the Supplier. The subcontractor shall be named in the test report.

4 Retention periods

The retention period for test certificates shall be 13 years.

The retention period for test pieces and residual material shall be 7 months. Environmentally compatible disposal of the material shall take place on expiry of this period.

Exceptions to this provision shall require written agreement.

5. Inaccuracies of measurement

The Client may request information from the Client at any time about inaccuracies of measurement.

Baden, September 2013