

General Business Conditions

1. Application

1.1 These General Business Conditions shall govern the relations between the customer and Integrated Plastics Systems AG. Modifications and changes hereof shall only be valid if exchanged by the parties in writing.

2. Prices

2.1 Prices not explicitly quoted as overall prices are subject to modification due to rising cost. The prices are quoted net FCA. Any and all extra cost such as freight, insurance, customs duties, any kind of taxes and dues shall be borne by the customer. Subsequent modifications and changes as well as test runs exceeding the usual control requested by the customer shall be billed separately.

3. Price Modifications

3.1 Integrated Plastics Systems AG reserves all rights to modify the prices quoted if during the performing of the work changes in salary rates, in prices for raw materials, in currency exchange rates or delivery times occur for which it is not responsible.

4. Terms of payment

4.1 In the absence of specific agreements, the following terms of payment shall apply:

- 40 % as advance upon placement of the firm order
- 60 % upon acceptance test, prior to delivery of the entire system

Integrated Plastics Systems AG reserves all rights to require the issuance of an irrevocable letter of credit confirmed by a known Swiss bank for the part of the purchase price not covered by the advance. The terms of payment shall remain valid even if transport, delivery, start-up or acceptance are delayed or rendered impossible for reasons for which Integrated Plastics Systems Ltd. is not responsible.

If the customer does not honour the terms of payment, a late payment interest of 5% per annum over SWOT (minimum 5%) shall become payable upon maturity without reminder.

5. Time limits

5.1 Integrated Plastics Systems AG shall use its best endeavour's to keep the time limits mutually set.

Time limits agreed by contract shall be prolonged accordingly:

- if the customer does not adhere to the time limits set for the submittance of documents such as drawings, technical particularities, permissible tolerances and the like if the customer demands subsequent modifications
- if obstacles occur at Integrated Plastics Systems Ltd., its customer or third parties which are beyond the influence of Integrated Plastics Systems AG, such as epidemics, mobilization, war, riot, significant breakdowns, accidents, labour conflicts, late or faulty deliveries of raw materials, semifinished or finished products, defectiveness of important components, governmental restrictions, acts of God
- if the customer does not honour terms of payment

Contractual penalties for late delivery are only valid if agreed in writing and only if and when the delay was provable caused by Integrated Plastics Systems AG.

The customer shall have no claim for indemnification or for cancellation of the contract based on late delivery.

6. Technical documents

6.1 Drawings, designs, plans shall remain the exclusive property of Integrated Plastics Systems AG. They may neither be copied nor multiplied, nor made available to third parties, nor be used for the construction of components or the entire system thereof.

7. Industrial property rights of third parties

7.1 All liability of Integrated Plastics Systems AG, Partners and suppliers for the violation of industrial property rights of third parties (such as patents, copyrights, trademarks, models and designs) through the application of the entire system from Integrated Plastics Systems AG or by products manufactured therefrom is herewith explicitly disclaimed. Such responsibility shall exclusively be with the customer who shall be under an obligation to keep Integrated Plastics Systems AG fully harmless of eventual third-party claims.

8. Passing of benefit and risk

8.1 Benefit and risk shall pass to the customer not later than the delivery ex works, irrespective of whether the delivery has been agreed carriage paid, CIF, FOB or similar clause or inclusive of mounting.

9. Reservation of title

9.1 Integrated Plastics Systems AG. shall remain the owner of all supplies until having received full payment in accordance with the contract. The customer shall cooperate in any measures necessary for the protection of the property of Integrated Plastics Systems AG. In particular upon entering into the contract it authorises Integrated Plastics Systems AG. 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 to fulfil all corresponding formalities at customer's cost. During the period of the reservation of title, the customer shall, at its own cost, maintain the supplied goods and insure them for the benefit of Integrated Plastics Systems AG against theft, breakdown, fire, water and other risks. It shall further take all measures to ensure that the title of Integrated Plastics Systems AG. in the goods is in no way prejudiced.

10. Inspection and acceptance of the supplies and services

10.1 The inspection and acceptance of the supplies and services shall be governed

as a matter of principle by the "Conditions regarding the defective liability and warranty" of Integrated Plastics Systems AG. They shall form an integral part of these General Business Conditions. Subsequently the following shall apply:

If the mutual acceptance test does not show any defects, the entire system shall be deemed accepted upon completion of such test.

If the mutual acceptance test shows defects which are of minor importance in relation to the entire system, acceptance shall nevertheless be deemed granted at the end of such test. However, Integrated Plastics Systems AG. shall be under the obligation to correct such defects within a reasonable time limit.

If the mutual acceptance test shows important defects, the acceptance shall be rejected, and the parties shall immediately agree upon a term within which such defects shall be corrected by Integrated Plastics Systems AG. Upon correction of such defects a new acceptance test shall be made. A claim for defects shall not release the customer from keeping the payment conditions and terms.

11. Warranty

11.1 All claims based on warranty and liability of Integrated Plastics Systems AG. shall exclusively be governed by the "Conditions regarding the defective liability period and warranty" of Integrated Plastics Systems AG. They shall form an integral part of these General Business Conditions.

12. Applicable law

12.1 All legal relations between the customer and Integrated Plastics Systems AG, in particular concluded contracts and these General Business Conditions, shall be exclusively governed in all respects by Swiss law. The applicability of the Treaty of the United Nations on Agreements regarding International Sale of Goods dated April 11, 1980 ("Vienna Convention") is excluded.

13. Place of jurisdiction

13.1 Any and all disputes between the parties arising out of or in connection with contracts concluded between them or with these General Business Conditions shall exclusively be submitted to the jurisdiction of the ordinary courts at the legal domicile of Integrated Plastics Systems AG. Integrated Plastics Systems AG shall however be free, to sue the customer also before the court at his registered address.

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