1. Exclusive validity
1.1 These General Terms of Purchasing (hereinafter referred to as “GTP”) shall govern procurement by Umicore Thin Film Products AG, Balzers (hereinafter referred to as “TFPL”).

2. Offer
2.1 By a tender invitation, the supplier as acting as specialist is asked to submit an offer at no charge. The supplier shall focus on the specifications and objectives of TFPPL and explicitly mention the specifics of their goods and services; the supplier, therefore, acknowledge its duty to inform.

2.2 If the supplier does not limit the validity of its offer, it will be effective to be binding for 90 days.

3. Order
3.1 To be effective, orders must be placed in writing. Acceptance of an order by the supplier shall be deemed effective if the order confirmation is in writing or, if irrespective of this, the supplier does not object to delivering in within 48 hours after receipt of such an order.

3.2 If the conclusion of a delivery agreement is made dependently on results of test or inspection of the product, the supplier shall only be bound if this confirmation does not deviate from the content of the order.

3.3 The scope of delivery includes everything required for the proper performance and delivery, including leaflets, operating manuals, and all others as vocal.

3.4 The confirmation of supply also include packaging of the product and packing for transport.

4. Prices and terms of delivery
4.1 The supplier’s prices are subject to be fixed prices in the currency indicated on the order. The terms of supply shall be based on the international commercial terms INCOTERMS 2010.

4.2 The supplier shall be liable for any loss or damage arising during transportation and packaging (regardless of the term of delivery).

4.3 If the delivery contains all specified indications shall be enclosed with each delivery (including invoice and MSDS if available). Partial and residual shipments shall be described as such on all shipping papers and invoices.

5. Terms of payment
5.1 The order number, exact description of goods, and drawing number or part number shall be indicated on all correspondence, confirmations, delivery notes, invoices, etc.

5.2 If the separate invoice shall be issued for each order as well as for partial deliveries. Payment of each invoice shall be made by TFPL according to the terms of payment agreed upon in the order.

6. Dates of delivery and late delivery
6.1 The delivery is due at the destination on the agreed date. The delivery time shall be understood as the date of entry of the goods or service at TFPPL.

6.2 If a fixed delivery date has been agreed, late delivery automatically becomes a breach of contract, regardless of whether the supplier communicates its delivery difficulties early and the parties agree a different delivery date.

6.3 If it is for the supplier’s delay in case of late delivery, such compensation shall be one percent of the net sale price for each whole or partial week by which the delivery date is exceeded, up to a maximum total of five percent of the net sale price of the delivery. In cases of specific investment transactions, differently worded provisions for delay may apply by contractual agreement. If the supplier is in default of a part of the order or if a claim is caused by the delivery, shall be calculated on the price of the supplier’s overall performance that is affected by the late part delivery. TFPL reserves the right to claim compensation. Payment of compensation for delay does not release the supplier from its duty to deliver the goods or to perform the service. The supplier may also claim damages or lost profits, or if the transactions are executed without a fixed delivery date the supplier remains in default with its delivery after a given reasonable grace period, TFPPL reserves the right to accept the delivery, to withdraw from the contract, and to claim damages for non-performance at any time on the website of the Umicore Group.

6.4 If it becomes evident prior to the delivery date that the supplier will not be able to meet the agreed delivery date, TFPPL reserves the right to rescind the contract and demand a refund of the purchase price.

6.5 The possibility of withdrawal shall also exist if, in the course of production, it becomes evident that the item to be delivered will not be suitable for the purpose intended.

6.6 In the supplier’s evaluation, deliveries made no more than five working days too early and no more than three working days too late will be rated “good,” and all others as “poor.”

7. Warranty, liability
7.1 The supplier expressly warrants product features in the corresponding delivery agreements. Notwithstanding, the supplier warrants that each product to be delivered has been tested and inspected and met the recognized rules of technology, the statutory requirements, and the specific objectives relative to execution, occupational health and safety, fire and explosion protection, environmental protection, and was not endanger to life and health if handled with due care and used for the purpose intended.

7.2 In the event of any delivery transactions, the supplier shall ensure all required EU Declarations of Conformity or EU Manufacturer’s Declaration of Conformity. If an item repaired by a third party at the supplier’s expense. In this case, TFPL is entitled, without setting a period of grace, to have the defective property repaired due to the nature of its business operation. In either case, the supplier shall bear all expenses arising from the repair or replacement of the defective item.

7.3 If TFPPL shall be entitled to cancel a sale or to get a sales price reduction of the part that the suppliers fails to replace or repair a defective item. Repair/replacement shall in particular be deemed to have failed if the supplier refuses this beyond such reason and/or as may be set by TFPPL or refuses to act.

7.9 If, due to unforeseeable circumsales, the delivery is impossible.

8. Obligation and delivery process
8.1 The supplier undertakes to notify TFPL of relevant changes to material used and processes. Depending on TFPL’s assessment, the supplier may be required to explain and, if necessary, to change the process.

8.2 The supplier undertakes to notify such changes promptly in writing, and, if necessary, to change the process before implementation thereof, so that TFPL can react in good time.

8.3 If the supplier discontinues the product and is no longer able to supply it, TFPL shall have the further option of sponsoring an all-time requirement (its required quantities for at least two years), including consequential losses, caused by the product delivered by it.

8.4 We expect our suppliers to systematically record SPC data and to control the processes accordingly. At the same time, we require a notification obligation if deviating values are outside the specification limits defined in the process (keyword: data).

9. Product liability, indemnification, insurance coverage
9.1 If responsible for a product claim, the supplier shall, upon first request, indemnify TFPL against any third-party claim for damages as a result of the cause of the damage lay within the supplier’s control and organization.

9.2 The supplier is liable for all expenses arising in connection with any recall measure taken by TFPL. To the extent it may reasonably be expected to do so, TFPL will notify the supplier of recall measures, notes, and recalls.

9.3 The supplier shall obtain and maintain in full force and effect during the term of the agreement, and for at least five years following the termination thereof, a product liability insurance policy to cover all the claims above or otherwise related to the product. The insurance shall provide coverage of at least CHF 5,000,000.00 per damage event.

10. Service and repairs
10.1 The supplier shall provide a repair and maintenance service by qualified technical experts for a period of at least ten years after delivery of the respective product.

10.2 The supplier shall supply the original spare parts for a period of at least ten years after delivery of the product. All repairs and maintenance work shall be performed according to the rules of technology and at reasonable terms and conditions.

11. Right to inspect work in progress
11.1 TFPL is entitled to inspect the work in progress and performance on the supplier’s premises (by arrangement).

12. Drawings and operating instructions
12.1 Before work on the product is started, the supplier shall submit to TFPL, upon request, working drawings for approval. Approval of the supplier does not affect the supplier’s responsibility to ensure that the product can be built and that it will function according to the specifications.

12.2 With the delivery of the product, the supplier shall be provided with the final working drawings, maintenance instructions, and operating manuals, as well as the spare parts lists for proper maintenance, free of charge.

13. Secrecy and product-related exclusivity agreement
13.1 The supplier shall not use for any purpose outside this contract or render accessible to any third party any trade or manufacturing secret or customer data of TFPL which may concern to the supplier’s knowledge in connection with the performance of contracts of supply. In particular, the supplier shall not use any manufacturing know-how made available to it by TFPPL or its manufacturers or have manufactured similar products for other customers. The supplier shall ensure, by suitably contractual agreements, that employees and subcontractors are bound to adhere to the foregoing secrecy provisions.

13.2 Clause 13.1 shall be deemed effective for an indefinite time. However, it shall lapse if and insofar as manufacturing know-how of TFPL available in figures, drawings, calculations, or other documents enter the public domain.

14. Third parties’ intellectual property rights
14.1 The supplier shall be liable for the delivery and use of the offered products shall not infringe any intellectual property rights of third parties (patents, patterns, designs, etc.). In any case it shall indemnify TFPL.

14.2 The supplier shall fulfill all standards and requirements for IP protection.

15. Applicable law, place of jurisdiction
15.1 Applicable law: the individual agreement, the present GTP, and General Terms and Conditions.

15.2 The place of performance and jurisdiction shall be domicile of TFPPL.

16. Miscellaneous provisions
16.1 Any modifications and supplements to these GTP, any delivery agreements concluded hereunder, and any modifications and supplements to any agreement(s), TFPL is not obliged to inspect and comment on all shipping papers and invoices.

17. Applicable law
17.1 The supplier undertakes to comply with the principles set out in the Code of Conduct. Failure to comply with these principles constitutes an event of breach of contract that entitles TFPL to terminate a contractual relationship with the supplier without notice.

18. In the event any term or provision of these GTP shall for any reason be ineffective, shall not affect the validity of any other term or provision hereof.

19. The supplier may without prior written consent or notice of other parties.

20. The Umicore Group to which TFPL belongs has laid down its Code of Conduct essential basic principles of conduct encompassing all fields of activity and business relations. This Code of Conduct is an integral part of any contract between TFPL and its suppliers. The Code of Conduct can be accessed at any time on the website of the Umicore Group.