

General Terms and Conditions for Purchase Agreements (Version September 2013)

1. Introductory remarks

- 1.1 These General Terms and Conditions («GTC») govern the conclusion, content and performance of purchase contracts between Swissgrid Ltd (hereinafter referred to as «Swissgrid») and the vendor (hereinafter referred to as «Contracting Party»).
- 1.2 If the Contracting Party submits a quotation to Swissgrid, it thereby accepts these GTC.
- 1.3 Arrangements between the Contracting Party and Swissgrid that amend or add to the GTC shall only be valid if made in writing.

2. Quotation

- 2.1 The quotation including any demonstration shall be provided free of charge unless noted otherwise in the request for quotation or call for tenders.
- 2.2 The Contracting Party shall submit the quotation on the basis of the request for quotation or call for tenders. It may, at its discretion, submit additional alternatives. It shall itemise the value-added tax (VAT) and any fees separately in the quotation, in particular any advance payments for waste disposal.
- 2.3 The quotation shall be binding for four months from the date of receipt by Swissgrid unless otherwise specified in the request for quotation or call for tenders.

3. Performance of the contract and warranty

- 3.1 Swissgrid shall specify the place of performance.
- 3.2 Benefits and risks are transferred to Swissgrid at the place of performance.
- 3.3 As a specialist and with knowledge of the intended use of the supplied goods, the Contracting Party warrants that the goods have the assured characteristics and have no physical defects or legal defects of title that could impair their value or fitness for the required use.
- 3.4 The Contracting Party also provides a warranty to Swissgrid that replacement parts can be supplied for at least five years from the date the goods are transferred.
- 3.5 Swissgrid shall check the purchased item without delay but no later than 30 days from the date of delivery. Once this period has passed, the purchased item shall be deemed accepted.
- 3.6 If there is a defect, Swissgrid has the option of deducting an amount from the remuneration corresponding to the reduction in value, withdrawing from the contract or demanding goods that are free from defects (replacement delivery). The replacement delivery may in particular be executed by exchanging defective components.
- 3.7 The warranty period is 24 months from delivery of the goods. Notices of defects can be issued by Swissgrid at any time during the warranty period.

4. Remuneration

- 4.1 The Contracting Party shall provide its services at fixed prices.
- 4.2 The remuneration stipulated in the contract shall cover all the services to be provided for proper performance of the contract. Remuneration shall cover in particular all documentation, packaging, transport, insurance and unloading costs, advance payments for waste disposal as well as expenses, licence fees and public levies.
- 4.3 Unless agreed otherwise, payment shall be made within 30 days from receipt of the invoice, but in no event earlier than 30 days after acceptance of the goods.

5. Default

- 5.1 The Contracting Party shall be in default if it fails to comply with the deadlines agreed in the contract, without further notification being required.
- 5.2 If obligations are not met within a reasonable period of grace granted by Swissgrid, Swissgrid may withdraw from the contract with immediate effect by notifying the Contracting Party in writing. Swissgrid may pay remuneration for the services provided up to dissolution of the contract, provided they were carried out as specified in the contract and they are of use to Swissgrid, at the latter's discretion.
- 5.3 For each full and each commenced calendar day beyond the agreed due date, the Contracting Party shall be liable to pay Swissgrid a contractual penalty of 0.1% of the agreed price. However, the contractual penalty shall be limited to 10% of the total remuneration claim pursuant to Section 4, plus VAT. The contractual penalty shall also apply if, and for as long as, one or several material defects in the service to be provided by the Contracting Party have not been remedied. Where the damage caused by the delay exceeds the amount of the contractual penalty, Swissgrid shall be entitled to claim the effective damage caused by the delay, under assumption of fault on the part of the Contracting Party. In addition, Swissgrid shall be entitled to demand full contract performance. In deviation from Art. 160 (2) OR, the contractual penalty shall be due despite any unconditional acceptance by Swissgrid.
- 5.4 Swissgrid shall be entitled to deduct the contractual penalty from any claim for remuneration by the Contracting Party. Where the deducted contractual penalty is disputed, the Contracting Party shall nevertheless not be released from its duty to perform the contract in its entirety and without interruption. No contractual penalty shall be owed in the event of force majeure.

6. Ensuring of confidentiality

- 6.1 The contracting parties shall treat as confidential all information and documentation which they obtain in connection with this contractual relationship and which is not obvious or in the public domain. The parties shall be responsible for ensuring that these provisions are also complied with by all employees, auxiliary personnel, contracting parties and other third parties.

- 6.2 Confidentiality shall be observed even before contract conclusion. This obligation shall continue to apply for ten years after the termination of the contractual relationship, irrespective of the reasons for terminating the contractual relationship, and of the terminating party. Statutory obligations shall continue to apply.
- 6.3 The contracting parties may process data (e.g. addresses, credit rating details, information about services and quotations) that they obtain in connection with the present contractual relationship within the scope of the business contact. The contracting parties assume that the data transfer and processing will involve cooperation with third parties within Switzerland and abroad.
- 6.4 If the Contracting Party wishes to use this contractual relationship for advertising purposes, or publish it, the prior written approval of Swissgrid shall be required.
- 6.5 Should a contracting party or a third party engaged by it breach the above confidentiality obligations, it shall be liable to pay the other party a contractual penalty. In each case this shall amount to 10% of the total remuneration, although not more than CHF 50,000. Payment of the contractual penalty shall not release the offending party from its obligations of confidentiality. Claims for damages are reserved.

7. Document storage

- 7.1 The Contracting Party shall store all documents and documentation that relate to this contractual relationship and that have not been passed to Swissgrid as originals for at least 10 years from the date on which the contract ends. The documentation shall be stored free of charge in the same condition as when it was prepared.

8. Liability

- 8.1 Each party shall be liable for damages caused to the other party, unless it can prove that it was not at fault. At all events, liability shall be limited to the proven damage that was actually incurred. As far as legally possible, liability for indirect damage, consequential damage or lost profit shall be excluded.
- 8.2 The parties shall be liable in accordance with Section 8.1 for the conduct of their employees and other auxiliary personnel and third parties they contract for performance of the contract (e.g. suppliers, subcontractors, substitutes) as for their own staff. Any acknowledgement or approval of the contracting of third parties shall not affect the liability of the Contracting Party pursuant to or in connection with the contract. Art. 399 (2) OR is expressly waived.

9. Applicable law, place of jurisdiction

- 9.1 Swiss law shall apply. Application of the UN Convention on Contracts for the International Sale of Goods (CISG) of 11 April 1980 (Vienna Convention) is excluded expressly and fully.
- 9.2 **The place of jurisdiction shall be Aarau, Switzerland.**