

GENERAL SALES CONDITIONS

Article 1 - General provisions

The present General Sales Conditions govern all relationships between the parties, respectively all contracts concluded between PX Tools SA on the one hand - hereafter PX Tools - and the customer on the other hand. By sending an order, the customer accepts without any reserve all these terms and conditions.

Without a particular written agreement, the present General Sales Conditions override any other provision, the Swiss legal provisions staying restricted.

Article 2 - Formation of the sales contract

A sales contract is considered as created between the parties when PX Tools confirms the buyer's order in writing (a letter, a fax or an e-mail from PX Tools shall be considered as a written acceptance). No confirmed sales contract can be canceled unless there is an exceptional written agreement of PX Tools.

In case of drawing's changes, the new sketch has to be sent to PX Tools by the buyer who has to clearly highlight the changes in order to get PX Tools' agreement.

Before changes orders will be handled like a new supply, which will engender a new presentation of the approval.

Until confirmation has been received, no order is considered as valid because modifications in terms of costs or code can be applied.

For orders amounts less than CHF 200.- for Switzerland and €200.- for export, processing fees of CHF 30.- for Switzerland and €30.- for export are applied.

Article 3 - Price

Prices of PX Tools are quoted ex-works, excluding freight and custom duties and according to rates prevailing on the date of the sales contract.

According to the delivery time, PX Tools reserves the right to revise its prices, notably if there is a change in the economic climate at the time of the delivery (e.g. increase in duties, in wages, in price of raw material, etc.).

PX Tools is entitled, upon invoicing, to pass on to the buyer any variation of price (between the Swiss Franc and the currency invoiced) and price change, particularly due to an increase in price of raw material that has happened between the formation of the sales contract and the delivery. The buyer expressly agrees to this.

In addition, price adjustments may be made due to modified duties or to other unpredictable events.

Unless stated otherwise, our quotes in Swiss Francs are valid during 1 month.

Article 4 - Payment terms

Payment shall be net and happen no later than 30 days from the date of the invoice. Any other terms must be the object of a written agreement.

Payment is made in full without exception. Payment is considered as complete when the full amount has been paid on PX Tools' invoice. Under no circumstances can the buyer refuse payment of outstanding amounts.

Unless by express agreement prior to delivery, PX Tools will not accept any rebate or discount on issued invoices.

For all countries, payment must be made in the invoiced currency.

Compensation

PX Tools is entitled, without prior consent, to realize guarantees or to negotiate assets as compensation based on prior information.

Article 5 - Solvency

Upon ordering from PX Tools, the buyer implicitly guarantees his solvency.

Article 6 - Insolvency

In case of doubt of the buyer's solvency or if any change in the situation of the latter, PX Tools reserves the right to demand a guarantee and/or specific terms of payment such as payment in cash or pre-payment despite the existence of previously agreed conditions.

PX Tools is entitled to refuse to execute its obligations, if after the conclusion of the sales contract, it appears that the buyer is insolvent.

Article 7 - Buyer formal notification

PX Tools reserves the right, after expiry of the fifteen days notice of a formal demand of payment, to evoke the clause of reserve of property written in the article 8 ("Reserve of property"), as well as the right to cancel the order. Installments already paid by the buyer remain forfeited to PX Tools as penalties.

If there is no payment within the said period, a formal notification for payment will be sent to the buyer without another advice. As from this moment, a moratorium interest of 7 percent can be charged. In addition, all expenses involved regarding the formal notification, and all costs incurred by the intervention of a collection agency are to the detriment of the buyer.

Once the buyer is in default of payment, PX Tools has the right to immediately suspend all actual and future deliveries, as well as to cancel the already formed sales contract(s).

Moreover, PX Tools reserves the right to claim additional interest for damages.

Article 8 - Reserve of property

Ownership of goods supplied by PX Tools is only transferred to the buyer after full payment of the invoiced goods. The buyer should, therefore, ensure proper preservation of PX Tools' products until he can claim his ownership. In addition, the buyer will have to oppose any claim that could be made by third parties - especially through seizure - on products belonging to PX Tools and to immediately inform this one so that it can protect its interests. Failing payment within the said period, PX Tools reserves the right to repossess its products without warning (after having sent a formal notification to the buyer through a registered letter with a form for acknowledgement of receipt). The products will be then identified and a discharge will be granted to the buyer who will support all expenses relative to the refund of products.

The buyer authorizes the supplier to register, at the client's expense and upon submission of an order (or a confirmation of an order) signed by the buyer, the reservation of ownership in public records or books.

If necessary, the buyer has to inform all third parties of the existence and content of this clause.

Article 9 - Force majeure

PX Tools shall not be liable for failure to perform under this contract if such failure is caused by impediments to performance which are outside PX Tools' control. Such impediments include, but are not limited to:

- Impediments affecting production and storage of PX Tools' products;
- Total or partial interruption of procurement;
- Failure of the transporter;
- Embargos, insurgencies, energy suspension, fire, floods, earthquakes, machines breakage, total or partial strikes, administrative decisions, epidemics, explosions, acts of third parties, wars;
- Or any other circumstances which could delay, inhibit or make onerous the execution of PX Tools' engagements.

In the occurrence of such an event of force majeure, the buyer will be immediately notified.

Article 10 - Delivery terms

Deadlines

Delivery dates indicated in the confirmation of order are approximate only and given by way of illustration. Therefore, the buyer is not allowed to cancel an order, refuse delivery or claim compensation based on a late delivery. PX Tools reserves the right to make partial shipments.

Quantity

The parties consider a shipment of - 10 to + 10 % of the agreed quantity (rounded up to the nearest unit) as valid. In such a case, the total price will be adapted in the knowledge that the unit price cannot be changed.

Successive deliveries

In case of successive deliveries, defect, failure or delay of a delivery has no influence on the other deliveries, especially on their payment. The provisions of the article 3 ("Price") are expressly reserved.

Transfer of profits and risks

The profits and risks relative to the delivered goods are at the buyer's expense when:

- The products ordered by the buyer are made available in the PX Tools' premises ;
- A third party is responsible for the order of the buyer.

Risks

Even in case of carriage free expedition, PX Tools' products always travel at the risk and peril of the buyer who is responsible for:

- Discharging the last transporter only once having made sure that the delivery arrived according to what was planned, that it is complete and in perfect condition ;
- Exercising at his expense and within a certain deadline, any appeal against the transporter or the agent in case of total or partial loss of material, deterioration, missing products, delay or any other error ;
- Ensuring, at his expense, a special insurance policy to cover the risks of total or partial loss, as well as the risks of deterioration or destruction of material.

In the assumption that PX Tools should encounter problems in the manufacture or the delivery of a product, without being directly or indirectly responsible for them, PX Tools cannot be considered as being unable to pay or perform. In such a case, PX Tools will make every effort to do all that is necessary to complete delivery as soon as possible.

Article 11 - Procurement plan

All orders with defined or on demand procurement plan must be completed within the agreed period with a maximum of 12 months. At the end of this period, PX Tools is entitled to invoice the total amount of the products ordered.

On demand deliveries

PX Tools may, by express written agreement and on the basis of a firm commitment, agree to temporarily store goods ordered by the buyer. However, in any event, the entire order will be delivered to the buyer no later than 12 months after the date of order.

Article 12 - Delivery note

Upon receipt of the goods, the buyer will receive a delivery note. The invoice will follow under separate cover. Any other documents that might be required must be requested at the time of order.

Article 13 - Default

PX Tools limits its guarantee to the quality of the proposed material, the performance, the appearance, the respect of the measurements and the mechanical and physical characteristics previously defined. Any other claim will not be taken into account.

Upon receipt of the product, the buyer must verify if the quantity, quality and type of goods delivered are those specified in the sales contract.

If the buyer finds that the goods delivered do not correspond to those in the sales contract, he must notify PX Tools in writing within five days, detailing when and how he discovered the defects.

Assuming PX Tools does not receive notice of the defects within 5 days of the buyer's receipt of the goods, the buyer forfeits his rights in this dispute.

In any event, especially in the case of hidden defects, the buyer loses his right to claim if he does not denounce the defect within six months from the date that the goods were delivered if there are no other special guarantees.

Upon receipt of the rejection notice within the time limits stipulated, and if it is proved, PX Tools undertakes to deliver to the buyer replacements conform to those which had been provided in the sales contract. The delivery of the replacement goods is made within a reasonable time.

In all cases, PX Tools' liability for the defects is limited to the invoice value.

All returns are subject to PX Tools' prior approval and should be returned according to PX Tools' instructions.

The costs and risks involved are always at the buyer's expense.

Article 14 - Product definition

If the documents provided by the buyer do not correspond to actual data or if the buyer does not mention circumstances that can have an influence on the execution of the product, costs incurred by the necessary engendered changes are at the buyer's expense.

PX Tools uses its best endeavors to answer the needs of the buyer. The product characteristics are defined at the time of order and based on information supplied by the buyer.

Any modification to a product which is the subject of a previous order or which already has a code number must be notified by sending a drawing explaining the change plus a written notification on the order.

On this basis, PX Tools is entitled to accept the modification, to change the price or to refuse to take the order.

Article 15 - Tooling

If PX Tools must develop special tools to manufacture products ordered by the buyer, PX Tools is authorized to charge a contribution towards these costs. Through the payment of this participation fee, the buyer gets the guarantee that these special tools will be reserved to the manufacturing of its own products. The use by a third party has to be authorized in writing by the buyer. In any event, PX Tools remains owner of this tooling.

Article 16 - Commercial documents

Information contained in PX Tools' catalogues, brochures and technical documents is indicative only and does not, therefore, guarantee that no change will be made.

Only quotes, proposals and sales contracts subjected to a written agreement are considered as binding.

Article 17 - Liability

Subject to the express provisions of the present General Sales Conditions, PX Tools will on no account answer for damages, direct or indirect, suffered by the buyer.

Article 18 - Liability in case of outsourcing

If PX Tools, based on instructions from the buyer, uses external expertise and/or works with a subcontractor named by the buyer, this one assumes all risks, direct or indirect, related to the intervention of the subcontractor and, if necessary, the physical transfer of the goods at the latter.

Article 19 - Applicable law

The relationship between both parties is governed by:

- The particular agreements between the buyer and PX Tools concluded in accordance with the form prescribed in the article 2 ("Formation of the sales contract") of these General Sales Conditions ;

- The present General Sales Conditions ;
- The Swiss law (Swiss Code of Obligations).

Article 20 - Language

In case of a divergence in the interpretation between these terms interpreted in English and the terms written in French, the French version of the General Sales Conditions always prevails.

Article 21 - Dispute resolution

Both parties agree to submit all disagreements directly or indirectly linked with their contract relationships to the law of the place from where the goods originate, that is to say from La Chaux-de-Fonds.

PX Tools reserves the right to seize other jurisdictions legally accepted.

Article 22 - Miscellaneous

- 22-1 The fact that PX Tools, at a given moment, does not take advantage of one of these conditions cannot be construed as a waiver to enforce them.
- 22-2 If any of these conditions is declared invalid or contrary to public policy provision, it will be deemed null and void and the remaining provisions shall remain in force.
- 22-3 In case of conflict between these terms and particular conditions specified in the order, it is expressly agreed that the latter prevail.
- 22-4 These general conditions shall prevail over all other eventual conditions of the buyer.