# **MSD AH Standard Terms of Purchase**



# **1** Scope of Application

1.1 All our purchases and procurements of services shall be effected exclusively on the basis of these Terms of Purchase. These Terms of Purchase shall be binding if declared to be applicable in our quotation or confirmation of order. Supplier's terms of business in conflict with the present Terms shall not apply; nor shall they become binding even if we do not expressly object to such upon receipt thereof.

1.2 Our terms of purchase shall also apply to all future transaction with the Supplier.

#### 2 Conclusion of contract and basis of contract

2.1 Orders and amendments thereof shall only be legally binding if they have been issued by us in writing or confirmed in writing.

2.2 The Supplier shall confirm the order/amendment immediately in writing. If we do not receive a due confirmation within 14 days after receipt of the order/amendment we shall be entitled to revoke the order without the Supplier deriving any rights whatsoever from such cancellation.

2.3 We reserve express title, copyright and user rights to all objects made available by us to the Supplier (such as drawings, illustrations, calculations, descriptions, models and other materials, information and resources.) Such shall not be communicated to third parties without our express prior written consent. The Supplier shall return such objects to us without demand once it no longer requires such for the due processing of the contract. Infringement of rights shall entitle us to a claim for damages, and we reserve all other legal claims.

## **3** Delivery

3.1 The delivery or performance to be provided by the Supplier (hereinafter the "Delivery") shall be effected properly and professionally using the most suitable materials. In particular, it shall correspond with the applicable domestic and foreign official regulations, the relevant technical regulations and the acknowledged technical standards, as well as with the documents specified in the order..

3.2 All additional expenditure resulting from the failure of the Supplier to comply with instructions or from faulty performances by the Supplier shall be borne by the Supplier.

3.3 The Supplier shall only be entitled to have the contract or substantial parts thereof carried out by third parties with our express written consent.

3.4 Use and risk shall transfer to us after arrival of the Delivery at the place of performance. Dispatch shall be at the risk of the Supplier, which shall also be liable for loss and damage during transport.

## 4 Dates and deadlines

4.1 The delivery time specified in the order shall be binding. If no delivery time is specified, delivery shall be immediate..

4.2 The delivery period shall be complied if the delivery is effected to us within the specified period or on the specified date.

4.3 If the Delivery is not effected within the delivery period, the Supplier shall be in default. In such event, we shall be entitled to the statutory claims. In particular, we shall be entitled to waive subsequent delivery and either to demand compensation for the loss resulting from non-compliance or to withdraw from the contract.

## 5 Prices and terms of payment

5.1 All prices shall be fixed prices. Unless agreed otherwise.

5.2 Invoices shall state our order number. Payments shall be effected net within 90 days.

5.3 Our payments shall not be construed as an acceptance of any defects in or delays to the Delivery.

#### 6 Inspection and acceptance of the Delivery, warranty

6.1 We shall examine the Delivery as quickly as possible after receipt, as a rule within a maximum of thirty days. If the inspection does not disclose any substantial defects, acceptance shall be effected.

6.2 The warranty period (time limit for claim and limitation period) shall be two years from the date of acceptance or of start-up, as the case may be.

6.3 During the warranty period, all parts of the Delivery suffering from a design, material, workmanship or assembly fault or otherwise not satisfying the contractual requirements shall immediately be repaired or replaced by new components free of charge at the Supplier's expense, if necessary in a different suitable design.

## 7 Consequences of non-compliance with the warranty, liability

7.1 If the Delivery suffers from such substantial defects or otherwise deviates from the contract to such an extent that it is unusable for us or that we can not reasonably be expected to accept the Delivery, we shall be entitled to refuse the goods, demand replacement delivery or withdraw from the contract, and claim damages.

7.2 If the defects or departure from the contract are of less significance, we shall grant the Supplier a reasonable period in which it shall effect the necessary improvements as warranty work. If the defects or departures from the contract are not or are not successfully corrected within this period, we shall at the Supplier's expense be entitled to carry out the warranty work ourselves or have such carried out by a third party. Instead of the aforesaid, we can also waive an improvement and claim a reduced value of the Delivery, and in particular effect a reduction of the price.

7.3 The Supplier shall guarantee that no third-party industrial property rights are infringed in connection with its Delivery. If a claim is made against us in this respect by a third party, the Supplier shall be obliged to release us from such claims and to hold us harmless in full for any losses and costs.

7.4 For the rest, we shall be entitled to the statutory claims without limit.

## 8 Place of performance, legal venue and applicable law

8.1 Place of performance shall be Lucerne unless agreed otherwise in writing.

8.2 Legal venue shall be Lucerne. We shall also be entitled to file an action against the Supplier at its general legal venue.

8.3 All legal relationships between us and the Supplier shall be governed by Swiss law to the exclusion of the provisions of the Vienna Law on Sales.

8.4 If there are any discrepancies between the German and English texts, the valid English text shall apply at any time.