

## 1. General

- 1.1 The General Terms and Conditions (hereafter referred to as GTC) apply to all purchases of products and services made by Kernkraftwerk Gösgen-Däniken AG (hereafter referred to as KKG) as well as work contracts and assignments, unless otherwise agreed in writing.
- 1.2 The signed contract documentation is binding for both parties. Any conditions that deviate from these GTC, in particular the general terms and conditions of the supplier, will only be valid if KKG has agreed to them in writing.
- 1.3 If any provision of these GTC is held to be wholly or partially invalid, the remaining provisions shall not be affected thereby. The parties undertake to replace an invalid provision with a valid and enforceable provision that most closely meets the commercial intent of the invalid provision.

## 2. Orders

- 2.1 Orders, order amendments and additions to orders placed by KKG shall be valid only if confirmed in writing. Verbal orders, order amendments, and additions to orders by telephone or in person require written confirmation by KKG to become binding.
- 2.2 The GTC are attached to the order or order confirmation and are published on the KKG website. They form an integral part of the contract. Sketches, drawings, comments, specifications etc. form an integral part of the order or order confirmation, if explicitly mentioned as such therein.
- 2.3 Confirmation of the order including the necessary technical documentation shall be submitted to KKG within ten days of receipt of order. Failure to confirm the order is deemed as acceptance of the order to the conditions stated therein. Confirmation of the supplier that deviates from the order shall be valid only if accepted by KKG in writing.
- 2.4 Sec. 2.1 – 2.3 apply also to additions and amendments of orders placed by KKG.

## 3. Subcontractors

- 3.1 If the supplier intends to commission a third party to manufacture ordered units or components that are normally manufactured at their own workshop, prior written consent is to be obtained from KKG. Even in the event of such consent, the supplier shall be wholly liable towards KKG for all supplies and services of the contract.
- 3.2 The supplier is obligated to impose the obligation of secrecy as imposed by KKG (sec. 18) and the provision concerning the exchange of information (sec. 7) to the same extent on his subcontractors.
- 3.3 The supplier acknowledges and informs his subcontractors that KKG is entitled to procure supplies and services directly from the subcontractor after termination of the contract with the supplier.
- 3.4 KKG is entitled to deduct in full from the purchase price direct payments made to subcontractors and to deduct claims from subcontractors made to KKG in connection with the goods and services supplied.

## 4. Price

- 4.1 Unless otherwise agreed, the price shall remain firm in the currency stated in the contract. The price includes all related costs for delivery DDP, Delivered Duty Paid Däniken (INCOTERMS 2010). INCOTERMS 2010 form insofar a part of the GTC. Value Added Tax is to be accounted for separately as a percentage and as an amount.
- 4.2 For orders without a fixed price, the supplier shall quote the price to KKG before executing the order. The order becomes definite only upon written acceptance of the quoted price. An exception applies to orders of up to CHF 500.--.
- 4.3 The supplier guarantees KKG to grant in comparable circumstances at least the same advantages as the most favoured third party.

## 5. Provision of Material

- 5.1 Material provided by KKG to execute an order shall remain also after use property of KKG, even if the value of the work is greater than that of the materials provided.
- 5.2 Unused material shall be returned to KKG on demand, or, at KKG's option be deducted at market value from the purchase price.

## 6. Performance, Delivery

- 6.1 Execution of the order shall be of skilled and careful workmanship using the best-suited materials. In particular, the order shall comply with official regulations and the relevant trade standards.
- 6.2 Part deliveries will only be accepted if this has been agreed in writing. Under-deliveries or over-deliveries of the ordered quantity will be accepted only with prior consent.

## 7. Exchange of information

The information provided may be used only for the purpose of this contract. Any further use of the information is prohibited.

## 8. Environmental management

- 8.1. In the context of our social responsibility, we expect environmentally responsible conduct from our suppliers. KKG favours suppliers who have introduced ISO 14001 or a similar environmental management system.
- 8.2 All materials used must always comply with the most recent requirements with respect to their disposal. Should for any technical and / or economical reason environmentally problematic materials be used, KKG is to be made aware of this fact.
- 8.3 If the delivered products contain any ecologically harmful substances (according to legal regulations at the place of fulfilment), the supplier guarantees KKG to take back and appropriately dispose of them in compliance with legal requirements. This also applies to substances and materials that may have changed after use.

## 9. Delivery, Delays

- 9.1 Delivery dates specified by KKG are binding for the supplier. Relevant for compliance with the delivery deadline is receipt of goods at place of fulfilment.
- 9.2 Date of delivery is considered met when the agreed delivery arrives at the place of fulfilment on the date stipulated.
- 9.3 Advance deliveries will not be accepted without prior written consent from KKG.
- 9.4 If the supplier has reason to assume that any part of the delivery cannot be delivered on the due date, he shall immediately notify KKG in writing specifying the reason and the new delivery date.
- 9.5 KKG reserves the right to claim for any damages incurred by delayed delivery even if a penalty for non-performance of contract has been agreed on.

## 10. Packaging, Transport, Insurance, Delivery note

- 10.1 All deliveries must be correctly packaged to ensure that they are adequately protected against damage of any kind during transport and storage. All mechanical components must be sufficiently protected against damage and corrosion and if necessary, protected from moisture.
- 10.2 Dispatch is at the cost and risk of the supplier. The supplier is responsible for insurance and bears the risk of loss and damage during transportation. The arrival clause DDP, Däniken, INCOTERMS 2010 applies. INCOTERMS 2010 form insofar a part of the GTC.
- 10.3 Each delivery must be accompanied by a delivery note. For services, the number of hours worked and materials provided by the supplier must be confirmed by a KKG representative. Each item must have a label or other clearly visible method of identification.

# GENERAL TERMS AND CONDITIONS

10.4 If the delivery note and /or documentation is missing, or if the delivery is not carried out as agreed or delivered earlier than scheduled, the goods will be stored at the supplier's risk and expense until the due delivery date or until the missing documentation arrives.

## 11. Transfer of Property and Risk

Property and risk in the goods shall pass to KKG after acceptance of the delivery at the place of fulfilment. The same applies also when employing deliverers and freight carriers.

## 12. Acceptance, Warranties

12.1 The goods will be checked on receipt by KKG for obvious defects, identity, shortages, and transport damage. There is no obligation to further inspect the goods. Inspection of the goods (including the accompanying documentation) by KKG is not bound to a certain time limit, but shall be carried out as soon as possible after delivery of the complete order and the supplier will be notified of any faults as soon as possible. To this extent, the supplier waives the objection to delayed notification of defects.

12.2 If inspection reveals no significant defects, the goods will be provisionally accepted by KKG. Receipt of the delivery, full or partial payment of the goods or services do not constitute acceptance.

12.3 The supplier explicitly guarantees that the delivery is free of any defects that might impair their value or their suitability for their intended use, that they possess the stated characteristics and the prescribed performance figures and specifications, and that they conform to any relevant laws, regulations and any other provisions.

12.4 The warranty period is normally two years from the day of provisional acceptance or the date of installing the parts or materials respectively, (whichever occurs later), but at most, three years after receipt of the goods.

12.5 The warranty period will be extended by the period during which the defective delivery item cannot be used and is in repair.

12.6 If repair work or replacement deliveries have to be carried out, the warranty for the repaired parts or delivered replacement parts shall be renewed as from the time of provisional acceptance or the commissioning of these parts respectively.

12.7 On expiry of the guarantee period and when any defects have been remedied, the delivery item is deemed accepted

## 13. Legal consequences of mal or non-performance

13.1 Should the delivery have serious defects or deviate substantially from the contract such that the delivery is unusable, or such that acceptance cannot reasonably be expected, KKG has the right to refuse the delivery, terminate the contract, and claim compensation.

13.2 If the defects or deviations from the contract are less serious, KKG grants the supplier a reasonable period to carry out the necessary remedial work under warranty. The supplier must repair or replace, if necessary with another more suitable construction, at his own expense all defective parts and equipment which can be attributed to a constructional, material, manufacturing or assembly fault of the delivered goods, or goods which in any way do not meet contractual requirements, at our option on our premises, as quickly as possible. Indirect advantages that arise for KKG from the subsequent correction of faults will not be taken into consideration.

13.3 Should defects not be remedied or not be successfully remedied within a reasonable period of time, as well as in urgent cases, KKG is entitled at the supplier's cost to remedy the defect themselves, or to have the defect remedied by a third party. Should KKG waive their right to have the fault remedied, or in the event that the fault was only partly remedied, KKG is entitled to deduct the reduction in value from the purchase price.

## 14. Limitation

Claims under warranty and all other claims by KKG due to poor or non-fulfilment of the contract lapse after one year following expiry of the warranty.

## 15. Liability

15.1 The supplier shall be liable, under exclusion of consequential damages such as power outage or loss of profit, for all damages caused to KKG or third parties by faults of the delivery, the deliverers, its assistants or subcontractors.

15.2 The supplier indemnifies KKG for all claims of compensation from third parties for financial losses or damage to property or persons, including expense incurred for legal costs and lawyers' fees, arising from the delivery of defective materials or goods.

15.3 Subject to the regulations of mandatory nuclear energy legislation.

## 16. Invoice and Payment

16.1 Invoices shall be sent immediately after delivery of the goods. Each order must be invoiced separately and in detail.

16.2 Unless special conditions have been stipulated, payment is made net within 30 days after receipt of invoice and provisional acceptance of the delivery.

16.3 Relevant for calculating the payment deadline and eligibility to early payment discount is the date of receipt of the correct invoice at KKG.

16.4 Payment does not constitute any waiver of warranty rights.

## 17. Assignment/Pledging

The supplier may not assign or pledge any of its rights of the contract without written consent from KKG.

## 18. Obligation of Secrecy

The supplier shall treat all details of the contract and any information on technical, business, and operational matters as strictly confidential. The obligations of secrecy shall remain in force beyond termination of the contract.

## 19. Safety Instructions

In addition to the GTC, safety instructions, and safety regulations apply to access to all KKG buildings, compounds and / or construction or installation sites. Failure to comply with safety instructions and safety regulations renders the supplier, his subcontractors, and assistants liable for any damages incurred to KKG. To this extent, KKG repudiates any liability.

## 20. Copyright Violation and Patent Infringement

The supplier is liable toward KKG for any violation of copyright and patent infringement of the goods, and is obligated to conduct any proceedings at his own expense and to hold harmless KKG against any damages and claims arising therefrom.

Furthermore, the supplier is liable for any direct or indirect damages and claims toward KKG that result from a violation of such rights.

## 21. Applicable Law, Place of Jurisdiction

21.1 The legal relationship is governed by Swiss law. Application of the Convention on the International Sales of Goods (CISG, the Vienna Convention in force since 01.03.1991) is expressly and entirely excluded.

21.2 Disputes between KKG and the supplier shall be judged by the ordinary court in the event that the parties cannot agree on an arbitration proceeding.

21.3 Place of jurisdiction for all legal disputes is Olten. KKG reserves the right to assert its rights also at the place of jurisdiction of the supplier.

21.4 Differences in opinion shall not entitle the supplier to interrupt work and to refuse any contractual performance and shall not entitle KKG to refuse any due payment.

## 22. Place of Fulfilment

Place of fulfilment for services and / or delivery of the supplier is Däniken.