

## **HOROTEC SA general terms and conditions of sale – September 2024 edition**

### **Scope of Application**

These general sales conditions of HOROTEC SA are an integral part of any sales contract between HOROTEC SA and its customer. Unless expressly modified by a specific written agreement, all the following provisions will apply during the execution of the contract and will serve as reference in the event of a dispute. To become part of the contract, any contrary provision contained in the customer's order must be expressly confirmed by our order confirmation.

### **1. OFFERS**

HOROTEC SA, based on its distribution network by country, may direct any customer request to its distributors who will take over the commercial process.

The offers issued by HOROTEC SA are indicative and only binding regarding price and validity period, whether for standard products, services, or products manufactured according to specifications. For any other contractual aspect, the order confirmation will prevail.

The content of advertising brochures and catalogs, as well as information contained in technical documentation and promised characteristics, have no contractual value unless explicitly agreed in writing. The availability of goods from the manufacturer remains reserved. Assembly and use instructions are only part of the delivery if provided by the manufacturer.

For specially made tools, the buyer assumes responsibility for the accuracy of the information (drawings, sizes, etc.) provided. To avoid errors and the subsequent costs, this information must always be transmitted in writing. Special tools are neither returned nor exchanged.

We reserve the right to modify the characteristics and references of our products and materials without notice. We also reserve the right to discontinue an item without notice, whether due to force majeure or not, without this entitling the buyer to any compensation.

### **2. INTELLECTUAL PROPERTY**

The drawings, sketches, manuals, photos, videos, etc., issued by HOROTEC SA remain its intellectual property and may not be reproduced, transmitted, or distributed without authorization.

For equipment developed by HOROTEC SA based on a specification agreed upon with the customer, the drawings, descriptions, and samples accompanying the offers remain the property of HOROTEC SA until full payment for the ordered equipment is made. The customer agrees to return them to the offeror if they decide not to place an order for the offered equipment.

### **3. PRICES**

The prices are determined by the order confirmation, which validates the customer's order. They are understood as net ex-factory and in Swiss francs. Unless otherwise agreed, all additional costs such as taxes, duties, customs, transport, insurance, permits, etc., are at the customer's expense.

HOROTEC SA reserves the right to change its prices at any time and to communicate the change by any means before it takes effect. Orders received after a price change will be confirmed and delivered at the new price. However, in case of long supply times, it may be necessary to adjust the price independently of the price mentioned in the order confirmation. The customer will be informed before delivery.

### **4. DELIVERY TIMES**

The delivery times indicated in the offers are indicative and are understood to be from the receipt of the customer's order. If the customer's order does not immediately follow the offer, HOROTEC SA reserves the right to dispose of the stock and adjust the delivery time indicated in the offer accordingly. Partial deliveries are allowed.

The delivery times indicated in the order confirmations will be met as much as possible, subject to defects in the supply chain or cases of force majeure. However, their non-observance for reasonable reasons cannot give rise to any compensation or serve as a reason for canceling the order.

### **5. ORDERS**

The minimum value of goods is CHF 1'000 for distributors and CHF 20 for other customers (excluding shipping, packaging, and VAT).

Unless for immediate delivery, customer orders are validated by order confirmations, which indicate the quantities and prices of the ordered items, known delivery times, and agreed payment terms.

It is the customer's responsibility to notify any errors or disagreements regarding the content of the order confirmations within 24 hours. After this period, the order confirmation is considered accepted, and its conditions prevail over those of the offer and the order.

In case of a disagreement that cannot be resolved within a reasonable time, HOROTEC SA reserves the right to cancel the order entirely or partially.

## 6. ORDER CANCELLATION

If an order is canceled after the 24-hour period following notification of the order confirmation, HOROTEC SA reserves the right to charge compensation :

- a) 5% of the order value as administrative fees, with a minimum of CHF 100
- b) For special manufacturing, the costs already incurred for the execution of the order.

## 7. SHIPPING AND INSURANCE

As a rule, transport is organized by HOROTEC SA, in cooperation with a logistics partner of its choice. In this case, HOROTEC SA settles transport, packaging and transport insurance invoices, passing them on to the customer according to its current rates .

(Incoterm 2020: DAP). For shipments within the European Community, HOROTEC SA also covers customs clearance fees as well as the destination country's VAT .

(Incoterm 2020: DDP). Thus, the customer receives their goods without any additional charges.

However, HOROTEC SA does not cover costs such as tips or other local financial specifics.

If the customer wishes to use their own transporter, they will arrange for the collection of the goods in coordination with HOROTEC SA and will handle the administrative formalities and payment of costs directly with their partner. In this case, the goods are under the customer's responsibility from the moment they leave HOROTEC SA's premises or are made available to the customer .

(Incoterm 2020 : EXW). The unloading of goods is always the recipient's responsibility. The recipient is responsible for complying with safety regulations and all other legal requirements at the destination

## 8. PAYMENT TERMS

Payment for delivered goods is due within 30 days from the invoice date, without discount.

For equipment of significant value or manufactured according to specific requirements, HOROTEC SA reserves the right to require a deposit of at least 50% before proceeding with the contract execution. In this case, the delivery time will begin upon receipt of the deposit.

HOROTEC SA also reserves the right to require full payment in advance, or the opening of an irrevocable letter of credit with a Swiss bank.

If a discount right has been agreed upon for advance payment or upon receipt of the goods, this right will be suspended if and as long as old invoices remain unpaid.

Any delay in payment will result in late payment penalties, with a rate of not less than 5% per year. Furthermore, any delay in payment of an installment will lead to the expiration of contractual payment terms, making the entire amount due immediately payable. Likewise, in case of deterioration of the customer's financial or economic situation, HOROTEC SA will have the right to demand immediate payment of all due invoices, including those not yet due, and to refuse any delivery until the total balance owed by the customer has been paid. Finally, in case of late payment, and without prejudice to the exercise of other rights, HOROTEC SA will also have the right to claim damages for non-fulfillment of the customer's contractual obligations.

## 9. RETENTION OF TITLE

The delivered goods remain the property of HOROTEC SA until full payment of the price and the corresponding invoices. The customer expressly assures HOROTEC SA to take all necessary measures (e.g., registration in the official register) to ensure that the retention of title is valid and guaranteed.

Payments by bill of exchange or LCR are considered executed only once they have been cashed and credited to HOROTEC SA's account until full payment. The distributor is authorized, as part of normal business operations, to resell the delivered goods but may not pledge them or transfer ownership as collateral.

The authorization for resell is automatically withdrawn in the event of payment cessation.

The customer's rights to transform, transfer, and dispose of goods under retention of title expire :

- in the event of any payment default,
- in the event of the opening of a recovery or judicial liquidation procedure against the customer,
- or in the event of negotiations for a moratorium and before the approval of a debt repayment plan.

In these cases, HOROTEC SA has the right to reclaim the goods. The transport costs and other expenses incurred (depreciation, repairs, reconditioning, etc.) are borne by the customer. Additionally, the customer agrees not to transfer any ownership rights over the goods sold or transfer any claims arising without the express and prior consent of HOROTEC SA.

In case of resale, the customer irrevocably assigns to HOROTEC SA all claims arising from the resale to the third-party buyer. The customer must promptly and voluntarily provide HOROTEC SA with all information to allow it to assert its rights and safeguard its interests in the event of any interference with goods under retention of title. In case of seizure or any other intervention by a third party, the customer is required to immediately notify HOROTEC SA.

## 10. CLAIMS

The customer is responsible for immediately checking the delivery upon arrival at the destination, immediately notifying the carrier of any damage to packages suggesting an incident during transport, and informing HOROTEC SA without delay and in writing.

Claims regarding the quantity, accuracy, or execution of the items must be submitted to HOROTEC SA in writing within 3 days of receiving the shipment.

## 11. RETURN OF GOODS

**No return of goods can be done without the prior written consent of HOROTEC SA, which will provide the customer with a return number to be attached to the return package. Failure to comply with these provisions will result in the rejection of the shipment..**

The return of goods in case of delivery error must be done within one month following the delivery and under the following conditions, provided that the goods are in new condition, returned in their original packaging, and accompanied by their user manual :

- In case of a delivery error by HOROTEC SA, the goods will be returned at HOROTEC SA's expense, including return transport; the credit note will compensate 100% of the invoiced value of the goods.
- In case of a delivery error by the customer, the goods will be returned with prepaid shipment, at 80% of the invoiced value to cover handling costs. The customer must ensure, before placing an order, that the characteristics of the equipment they plan to order meet their needs.
- Any additional intervention, such as repairs or replacement of parts or packaging, will be deducted from the credit note or charged additionally.

HOROTEC SA is under no obligation to accept returns of goods delivered more than 30 days before the return request.

If the return of such goods is nevertheless agreed upon, it will be done out with a 50% reduction of the invoiced value.

The return of specific products made on request or according to specifications is excluded.

## 12. WARRANTY

HOROTEC SA undertakes to remedy any operational defects due to manufacturing faults, within the limits of the following provisions. The standard warranty covers a period of two years from the date of sale.

For goods not produced by HOROTEC SA, the manufacturer's warranty conditions and services apply.

**Movements are delivered without any warranty, regardless of type or brand. No claims will be considered.**

In justified warranty cases, HOROTEC SA will provide one of the following services at its discretion :

- free repair by HOROTEC SA, or
- free replacement, or
- credit note for the product in question.

Any other service or compensation under the warranty is excluded.

Excluded from the warranty are all damages due to improper, incompetent, or negligent use, lack of maintenance, external influences, failure to follow operating instructions, or any other hazard, as well as cases of force majeure. It does not cover the normal wear and tear of the item and its effects on general functionality. The warranty automatically expires if the customer has undertaken or entrusted repair or modification work to a third party.

HOROTEC SA products that are subject to claims must be sent by the customer, insured, and properly packaged, to HOROTEC SA in La Chaux-de-Fonds (Switzerland). Warranty claims must be supported by a copy of the delivery note or invoice for the product in question. Additionally, claims or defects must be precisely described in the accompanying document.

Reshipments to the customer of products repaired under warranty or exchanged will be carried out by standard transport, grouping as much as possible with other deliveries.

If defects need to be corrected at the customer's location, all travel, hotel, and accommodation expenses for HOROTEC SA employees will be borne by the customer if it turns out that the warranty claim was not justified.

### **13. LIABILITY**

HOROTEC SA's liability will be limited to direct material damages caused to the customer by a defect in the product it has delivered. HOROTEC SA is not required to repair the consequences of errors committed by the customer or third parties.

HOROTEC SA's liability is excluded :

- for defects resulting wholly or partly from normal wear and tear of the part or from damage or accidents attributable to the customer or a third party,
- in case of damage resulting from lack of maintenance or supervision, or generally from any improper handling contrary to the manufacturer's written instructions.

Under no circumstances will HOROTEC SA be liable immaterial or indirect damages such as operating losses, lost profits, commercial harm, or loss of earnings.

If penalties and compensation have been mutually agreed upon, they will have the value of a forfait indemnity, and will be exclusive of any other sanction or compensation.

HOROTEC SA's civil liability, for all causes except for bodily injury and gross negligence, is limited to an amount capped at the invoiced value of the defective supply, but not exceeding CHF 5,000.-.

The customer guarantees that their insurers or third parties in contractual relation with them waive any recourse against the supplier or their insurers beyond the limits and exclusions set out above.

**Modifications :** We reserve the right to adapt or modify these general conditions at any time as necessary.

**Partial validity:** The invalidity of certain provisions of these general conditions or of the delivery contract concluded with the customer does not affect the validity of the other provisions.

### **14. APPLICABLE LAW**

Any sales contract concluded by HOROTEC SA and its interpretation are exclusively subject by Swiss law.

### **15. JURISDICTION**

The civil court of La Chaux-de-Fonds has sole jurisdiction over any dispute concerning any sales contract concluded by HOROTEC SA. However, HOROTEC SA is authorized to take legal action against the customer in the court of their jurisdiction.

**HOROTEC SA**