

Effective date: 6<sup>th</sup> July 2015

**GENERAL TERMS AND CONDITIONS OF PURCHASE  
FOR GOODS AND/OR SERVICES OF SONOVA**

**1. General**

Only these purchase terms and conditions of Sonova shall be recognized. Other terms of the supplier shall only be valid if they have been expressly accepted in writing by Sonova. This concerns in particular any differences in the terms of quotations and order acknowledgements of suppliers, even if Sonova has objected.

**1.1 Where the context so requires a reference to “Sonova” shall mean Sonova AG, Laubisrütistrasse 28, 8712 Stäfa, Switzerland and include the Affiliates as defined below. All rights available to Sonova under this Agreement shall be available to the Affiliates as well if and to the extent these Affiliates purchase, process or distribute Products supplied under this Agreement or are subject to a claim in relation to Products supplied under this Agreement.**

**1.2 "Affiliate" shall mean the parent company of Sonova AG, Sonova Holding AG, and any legal entity of which at least 50% of the voting shares or similar voting rights now or hereafter are owned or controlled, directly or indirectly by Sonova Holding AG, or in which Sonova Holding AG otherwise has the ability to direct the management, but any such legal entity shall be considered to be an affiliated company only for so long as such control exists (hereinafter referred to as “Affiliate”).**

## **2. Sonova Group Supplier Principles (SGSP)**

By selling products or services to Sonova, supplier is accepting the adherence to the SGSP. The SGSP can be found on the Sonova website [www.sonova.com](http://www.sonova.com).

## **3. Supplier's quote**

The offer shall be binding during the period specified in the request for proposal or in the quote and shall include or reference all relevant terms and conditions

## **4. Orders and changes**

Only written orders by e-mail, fax or mail are valid. Our orders shall be binding upon us only if they have been placed or confirmed in writing. If the order is not acknowledged within two weeks of its dispatch, this will be understood that the order has been accepted as it is. The prices stated on orders of Sonova are firm fixed prices. Any changes to the order must be agreed in advance in written form by Sonova.

## **5. Order acknowledgment**

Orders shall be confirmed by formal order acknowledgments in written form. The related order reference number must be stated on the order acknowledgment.

## **6. Documentation / Means of production**

All documents and means of production (hereafter referred as "**DMoP**") provided by or paid for wholly or in part by Sonova, such as drawings, calculations, as well as models, dies, tools and samples, shall not be duplicated without the authorization of Sonova and shall remain the sole property of Sonova along with any copyright. The DMoP shall be kept confidential for 10 years.

The supplier shall be responsible for ensuring that the DMoP are neither used by third parties nor made accessible to third parties and are used exclusively for Products. The DMoP must be returned to Sonova after use.

## **7. Warranty / Time limits on warranties and complaint defects**

In view of the fact that a large part of supplies and services cannot be immediately inspected by Sonova to determine their correctness and usability, the supplier shall, by accepting the order, accept complaints without time limit. Any payment made by Sonova shall not prejudice the acceptance of goods and services with regard to quantity, price or quality.

Unless other agreements have been made in writing, the supplier shall offer Sonova a warranty during 12 months following use of the goods, but not longer than 24 months from the date of delivery. Any defects that do appear shall be made good immediately and free of charge. If a complete reconditioning cannot be expected within a time limit acceptable to Sonova, then the supplier shall make a defect-free replacement delivery. If the supplier is not in a position to immediately make good the defect, Sonova is entitled - with the cost charged to the supplier - to effect the repair itself, or have the repair effected, or purchase replacement goods. Transportation costs and travel expenses, if any, in connection with warranties are charged to the supplier.

Warranties are to be strictly fulfilled. If they are not reached, it shall be within the discretion of Sonova to return the supplied goods, against reimbursement of any payments which may already have been made.

The supplier is responsible for work done by his sub-suppliers respectively subcontractors in the same way and as if it were his own work.

For replacement deliveries and repairs a twelve month warranty also applies.

Sonova reserves the right to claim indemnities because of non-performance or poor performance by the supplier. In any litigation with a claimant, the supplier shall participate in this litigation immediately upon first written notification by Sonova.

### **8. Patents, protected rights**

The supplier shall ensure that no patents or other protected rights of third parties are infringed by the supply or use of the items ordered from the supplier and that no claims are made against Sonova for similar reasons. If a patent or other protected right of a third party is infringed, Sonova shall be entitled to cancel the contract and/or to claim indemnity from the supplier, whichever option is found most suitable, regardless of whether the supplier is at fault or not.

### **9. Product liability, insurance**

The Supplier shall indemnify us against all loss or damage or claims by third parties to the extent he is responsible for the defects in the goods. The Supplier shall take out and keep in force a product liability insurance against his liabilities with a coverage of not less than CHF 5 Mio. per incident involving property or personal damage. Such insurance coverage does not imply a limitation of Supplier's liability.

### **10. Packaging**

Supplier is obliged to use proper packing, in compliance with the relevant transport and environmental regulations.

### **11. Delivery date**

The delivery dates prescribed by Sonova are binding if they are not immediately corrected by the supplier. The stated delivery dates are understood to mean "Arrival of the goods at the place of delivery agreed upon".

The supplier can plead non-receipt of necessary supplies, work and/or services to be provided by Sonova, only if he has asked for them in due time.

Supplier is obliged to notify in written form without delay in case circumstances occur, that the stipulated delivery date may not be achieved.

If delivery dates are not met, Sonova reserves the right to decide whether to insist on the fulfilment of the delivery or to cancel the order without fixing any new delivery date. In any case, the supplier shall be liable for compensation to Sonova.

Partial and early deliveries require the previous approval by Sonova.

## **12. Cancellation of order**

Besides cancellation due to not meeting the delivery dates (as per above Section 11, Sonova is also in the following cases entitled to cancel the order and forego the delivery:

- If before the due date of the delivery it is clear already that the supplier will not be able to meet the delivery date.
- If in the course of production it becomes clear that the ordered goods will not be usable.
- If Sonova reserves the right to claim indemnities.

## **13. Right of inspection**

Sonova is entitled to inspect the progress of the work. Through this inspection, the contractual obligations of the supplier can neither be amended nor limited.

## **14. Secrecy**

The supplier is not allowed to make any contractual arrangements of technical or commercial nature accessible to third parties without the prior written authorization of Sonova.

## **15. Advertising**

The use for advertising purposes of this order and / or of the products manufactured within the scope of this order is allowed only with the written consent of Sonova.

## **16. Preference, Supplier's Declaration, Export Control**

Supplier shall, upon request, provide to Sonova certificates of origins, custom tariff codes, and preference documents if applicable.

## **17. Compliance with REACH regulation**

The Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH"), regulates a large number of substances of very high concern ("SVHC's"). More substances are added to the SVHC's candidate list approximately every 6 months.

All parts, materials and products supplied to Sonova shall comply with the applicable form of REACH at any time. Supplier is obliged to inform Sonova whether any SVHC constitutes greater than 0.1% of the weight of any part, materials or product supplied to Sonova.

## **18. Compliance with EU RoHS2 regulation**

The European Restriction of Hazardous Substances Directive (2011/65/EU) ("RoHS2") in its current form restricts the use of 6 hazardous substances in electrical and electronic equipment sold in the EU. RoHS2 in its current form restricts Lead, Mercury, hexavalent Chromium, and flame retardants PBB and PBDE, to no more than 0.1% by weight in any "homogeneous material" in any part, and it restricts Cadmium to 0.01%. Some classes of electronic equipment are excluded from the scope of RoHS2, and RoHS2 also allows exemptions for some very specific materials.

All parts, materials and products supplied to Sonova shall comply with the applicable form of RoHS2 at any time

### **19. Shipping instructions**

Each shipment must be accompanied by a delivery note. If the delivery note cannot be attached to the shipment, it has to be mailed to Sonova.

Partial and residual deliveries must be designated as such.

The supplier shall be liable for damage caused by inadequate packing as well as damage caused during transportation and intermediate storage.

### **20. Invoicing/Terms of payment**

Prices as agreed in written form by Sonova and the supplier shall be binding.

The related order reference number must be stated on the invoice.

A separate invoice for each order must be issued to Sonova AG, Laubisrütistrasse 28, 8712 Stäfa, Switzerland.

Unless otherwise agreed upon in writing, payments shall be made within 60 days after receipt of the invoice but earliest upon acceptance of the goods. Collect-on-delivery consignments or drafts are not accepted.

### **21. Place of performance, jurisdiction and applicable law**

The place of performance, for delivery and payment is - if nothing else is stated in the order – Sonova AG, Laubisrütistrasse 28, 8712 Stäfa, Switzerland.

Any disputes shall be submitted to the Commercial Court of the Canton of Zurich, Switzerland, or, at Sonova's choice, to the competent court at the domicile of the supplier. Swiss law shall apply exclusively with the exclusion of the UN Convention on Contracts for the International Sale of Goods.

Yours sincerely

Sonova AG

Sonova Corporate Procurement