

Standard Terms and Conditions of Business and Sale

1. General

Delivery shall occur on the basis of a written order, and the following general terms and conditions shall be deemed an integral part of the order. Variations from these are only legally valid if made in writing.

2. Packaging, dispatch and delivery

Delivery shall be made Free Carrier at the domicile of the purchaser (FCA), and FOSTAC International GmbH (hereafter FI) shall organise delivery at the expense of the purchaser.

FI shall endeavour to abide by quoted delivery periods; however, no binding obligation may be assumed. In the event of strikes by forwarders, transporters, customs agencies and other cases falling under the responsibility of third parties (e.g. epidemics, mobilisation, insurrections, significant disruptions to business, accidents, industrial disputes, late or faulty receipt of necessary raw materials, failure to supply or acts of God) the agreed delivery periods shall be automatically extended by the duration of the delay. In such cases there shall be no right to claim damages or to cancel orders on the basis of delayed delivery. The presumption of rescission in commercial transactions contained in Article 190(1) of the Swiss Code of Obligations shall not apply. Any amendments to the order may result in a delay in delivery, alongside additional costs.

If the goods ordered are not accepted by the agreed deadline, FI shall be entitled to place them in storage, also with third parties, at the cost and risk of the purchaser. In such cases the period of guarantee shall commence at the time when the goods are placed in storage.

For blanket purchase orders FI reserves the right to produce the goods ordered only after receipt of the demand for delivery.

FI shall use such packaging and means of transport as it considers appropriate on the basis of its experience. FI shall be free to choose the means of transport. A surcharge shall be applied for parcel post and packaging material. Packaging material shall not be taken back.

Benefit and risk shall be transferred to the purchaser at the latest on departure of the shipment ex works, including where the delivery is made FCA or if transport is arranged by FI. Complaints regarding damage caused in transit must be made known to the carrier immediately. The purchaser shall be responsible for insurance against damage of any kind.

3. Prices

All prices specified in FI documentation are quoted exclusive of VAT and in Swiss Francs (CHF). FI reserves the right to make price variations without prior notice, although as a rule general price increases or reductions shall be notified 3 months in advance. Orders which deviate from normal standards regarding materials or delivery shall be subject to a surcharge.

For sales outside of Switzerland, all goods will be invoiced excluding VAT.

All ancillary and delivery costs, including in particular VAT, freight charges, insurance, transit fees, import duties, licences, authentications and customs charges etc. shall be borne by the purchaser. Similarly, the purchaser shall bear all cost arising from taxes, duties and fees which may be levied either directly or indirectly in connection with the delivery, or reimburse them to the forwarder on production of appropriate documentation in the event that the latter was obliged to pay them.

4. Examination and acceptance of delivery

The purchaser is obliged to examine the goods immediately on receipt. **Particular attention must be given to whether the device supplied is permitted and certified for the country of the customer.** The FOSTAC MAXIMUS® device is marked accordingly on the inner side of the panel. If the goods supplied do not comply with the order or show noticeable defects, the customer must lodge a claim in writing within 7 days of receipt of the goods. Claims lodged after this deadline will not be accepted, and any right of warranty will be forfeited.

Defects that are not immediately apparent must be listed and pointed out by the customer as soon as they come to light, or at the latest before expiry of the guarantee period. Claims do not interrupt the payment period. Where the purchaser wishes to carry out acceptance inspections, these must be agreed to in writing and the costs thereof shall be borne by the purchaser. Where acceptance inspections cannot be carried out within the specified period on grounds beyond the control of FI, the goods shall be regarded as approved.

5. Warranty

The FOSTAC MAXIMUS® has no moving parts. It is based on the latest discoveries in quantum physics. In addition, the use of first class materials guarantees the highest level of operational safety. The devices of FOSTAC International GmbH are certified and intended for use in countries around the world, provided that local approval is granted, with the exclusion of Germany, Austria, Switzerland and Liechtenstein (see www.fostac-international.com).

FI therefore provides a two year warranty against all production or material defects under normal conditions of use. In such cases, the warranty is limited to the replacement of defective parts free of charge. Damage resulting from improper use (e.g. incorrect connection) or from failure to comply with statutory regulations governing installation is not covered. The warranty will only be honored if the claim is made directly to the producer or one of its legal representatives. The warranty will not cover repairs, unless carried out by official FOSTAC International GmbH representatives. Any installation, de-installation or transportation costs shall in this case be borne by the customer. The proof of purchase (invoice or receipt) is an integral part of the warranty.

6. Right of return

In many cases, the FOSTAC MAXIMUS® requires a specific start-up period, in some cases up to several months, until the harmonization can have an optimum effect. Subject to the following prerequisites, the manufacturer guarantees a right of return for devices of 40 amperes and above, with reimbursement of the purchase price to the purchaser:

- If all high frequency micro wave interference fields resulting from mobile telephones, cordless phones (DECT) including stations, WLAN and walky talky radios were taken into account within an overall harmonization
- If the original invoice or receipt is submitted
- If the signed manufacturer's «Right of return» (reverse side of the Service Protocol signed by the customer) is submitted
- If the device demonstrably does not achieve the desired effect

Due to the different lengths of start-up periods, the right of return applies only from two years after the invoice date and may thereafter be exercised against the manufacturer for three months. The right of return generally lapses after two years and three months. In case of returning the device, all installation and de-installation costs, as well as transport costs, shall be borne by the customer. Where the device returned is damaged, a specific sum in relation to the damage will be deducted by the manufacturer for reconditioning.

FI will honor this warranty (according to the reverse side of the Service Protocol) only for devices which it also manufactured itself and provided that the purchaser has confirmation of this right of return signed by FI. For devices that were built and sold by authorized licensees, FI expressly provides no warranty. In such cases, the warranty is a rule provided by the authorized licensee itself.

7. Assembly

Installation and commissioning of the FOSTAC MAXIMUS® device is not included in the purchase price. FI has the details of suitable installers and will provide these on request. We recommend and contract only franchised electrical installers (e.g. specialist businesses) for the installation of the device.

8. Technical documentation

All technical documentation (charts, plans, brochures etc.) remains the intellectual property of FI and may neither be copied nor disclosed to third parties. Illustrations, measurements, standard diagrams and weights are not binding and FI reserves the right to make design modifications without prior notice. Materials may be replaced by other equivalent components. This shall be without prejudice to sketches of measurements specified as binding in the written order.

9. Right of cancellation, including instructions for cancellation

For direct (Switzerland) or distance (EU) contracts, private purchasers shall have a right of cancellation:

For so-called direct sales (i.e. where the goods are ordered by telephone, internet or email or where an offer is made to the customer in his home, place of work or in a public place), the customer may cancel his order in writing without any requirement to give reasons within 7 days after the contract has been concluded and these instructions for cancellation have been notified. The period begins on the day when the contract for the item purchased is concluded and notice is given of these instructions for cancellation as an integral part of the standard terms and conditions. The time limit shall be regarded as having been complied with where the cancellation is dispatched in due time. Cancellations are to be addressed to: **FOSTAC International GmbH, Poststrasse 16, CH-9243 Jonschwil.**

Where the cancellation is validly made, the customer shall be obliged to return the item purchased to the above address. The goods shall be returned at the risk and expense of FI. In cases where cancellation is valid the benefits received by each party shall be returned. If the customer cannot return the goods either in whole or in part, or can only do so in a deteriorated state, compensation for lost value shall be paid to FI. If the item delivered is defective or does not correspond to the product ordered, the right to cancel the contract shall be without prejudice to the warranty.

In addition, Article 40a – 40f of the Swiss Code of Obligations concerning direct selling as well as directive 97/7/EC of the European Parliament and Council of 20 May 1997 on the Protection of Consumers in respect of Distance Contracts apply.

10. Applicable law

This contract shall be governed by **Swiss substantive law**. In cases involving the consumer purchase by private individuals domiciled in Germany or Austria, this shall be supplemented, in accordance with EC law, by the mandatory consumer protection rules applicable at the domicile of the relevant consumer in Germany or Austria.

11. Place of jurisdiction

The place of jurisdiction for transactions with customers with domicile or registered offices in Switzerland shall always be CH-9243 Jonschwil. This also applies for deliveries to foreign customers insofar as permitted by law; in otherwise the courts of the domicile of the relevant customer shall have jurisdiction.