

General Conditions of Purchase

1. Applicability

- 1.1 The Conditions of Purchase of SWISS KRONO AG apply exclusively to all transactions. Any conditions of sale of the Supplier which contradict or deviate from these conditions are excluded.
- 1.2 The General Conditions of Purchase apply to all orders. Orders and agreements are legally binding only when made in writing; verbal agreements must be confirmed in writing to be considered valid.
- 1.3 The Conditions of Purchase also apply to all future transactions enacted with the Supplier.

2. Offer

- 2.1 The Supplier must confirm the order in writing within a period of 10 days using the relevant section of the order form.
- 2.2 Notes and modifications relating to orders, tenders, conditions of purchase etc. are valid only when they have been expressly confirmed by SWISS KRONO AG.

3. Prices and payment conditions

- 3.1 Unless explicitly indicated otherwise in the order, the prices stated are fixed and DDP (Incoterms 2010). If the Supplier reduces its prices before the delivery date, the reduction must be passed on to SWISS KRONO AG. If the price increases between the date on which the order was placed and the delivery date, the difference in price is borne by the Supplier.
- 3.2 If the prices are not agreed in advance, a purchase agreement is concluded only once the binding prices indicated in the order acceptance have been accepted in writing by SWISS KRONO AG.
- 3.3 Modifications or additions to existing orders (supplementary offers) are subject to the same conditions as the primary order. Discounts, guarantees, deadlines etc. that form part of the primary order also apply to any modified/additional orders.
- 3.4 Unless otherwise agreed in writing, invoices will be paid net within 30 days of receipt of the goods and the invoice. Early payment discounts or other conditions may be arranged by mutual agreement.
- 3.5 SWISS KRONO AG will only make prepayments exceeding CHF 20,000 in value subject to the provision of a bank guarantee.

4. Delivery, delays and withdrawal

- 4.1 The delivery deadline indicated in the order is binding. If the delivery deadline is not met, SWISS KRONO AG may decide to demand delivery and compensation for losses incurred due to the delay, to claim compensation for losses incurred due to non-fulfilment of the order, or to withdraw from the contract at its discretion, without becoming liable to any claim against SWISS KRONO AG on the part of the Supplier.
- 4.2 If the agreed delivery deadlines are not met, the Supplier must immediately state the earliest date on which it can deliver so that SWISS KRONO AG can decide whether or not to proceed with the order.
- 4.3 Early delivery may only be made with written permission. If an early delivery is accepted, the payment term (which is based on the originally planned delivery date) is not affected. For call-off orders, we are not obliged to maintain consistent call-off volumes over set periods of time.
- 4.4 In the event of delayed delivery, SWISS KRONO AG reserves the right to apply a flat-rate contractual penalty equal to 3% of the delivery value for each commenced week of delay, limited to no more than 10% of the total delivery value. We reserve the right to make other legal and/or contractual claims as described under 4.1 above.
- 4.5 Unless otherwise expressly agreed, the Supplier bears all costs and risks associated with delivery. The Supplier is solely liable for any consequences arising from errors in delivery paperwork or incomplete delivery notes.
- 4.6 Additional costs arising as a result of early delivery or partial deliveries that have not been agreed, such as transport costs or other charges, must be borne by the Supplier.
- 4.7 The goods will be accepted only at the relevant plant; risk is transferred to SWISS KRONO AG only when the delivery has been signed for and accepted by the receiving party, or upon successful commissioning and acceptance in the case of machinery. Where differences in weight arise, the weights recorded on SWISS KRONO AG measurement devices must be used for the relevant calculations.

- 4.8 If the Supplier is required to provide material samples, test logs, quality documentation or other contractually agreed documents, the delivery and service is only considered complete when these documents have also been passed to SWISS KRONO AG.
- 4.9 SWISS KRONO AG reserves the right to offset amounts due against claims or to exercise its rights of retention as permitted by law.
- 4.10 In the event of any force majeure situation, the contractual parties are released from their obligations under the contract for the duration of the event and to the extent that the force majeure situation affects their ability to fulfil their obligations. Force majeure situations are defined as strikes, embargoes, lock-outs, accidents, fire, earthquakes and other natural disasters, war, civil war or unrest, sabotage, extraordinary official or government measures, interventions, decrees or confiscations of any type, quarantine restrictions, transport issues, or problems caused by third parties outside the control of the parties etc. The contractual parties are required to inform one another of a suspected force majeure situation without delay and to provide the other party with all of the required information and adjust their respective obligations to the best of their knowledge and belief based on the change in the situation.
- 4.11 SWISS KRONO AG may withdraw from the contract if the Supplier becomes subject to or applies for debt enforcement or bankruptcy proceedings.
- 4.12 SWISS KRONO AG may also withdraw from the contract if the Supplier promises, offers or grants privileges of any sort to any SWISS KRONO AG employee or third person working on its behalf involved in the preparation, conclusion or implementation of the contract.
- 4.13 All legal rights of withdrawal remain unaffected.

5. Checking for defects, inspection and guarantees

- 5.1. The Supplier is liable for ensuring that the specified characteristics of the products are present and for ensuring that the delivered object is free from physical and legal defects that would reduce its suitability for use in line with its intended purpose.
- 5.2 SWISS KRONO AG undertakes to inspect the delivered objects within a reasonable amount of time and to report any identified defects within 30 days of acceptance of the delivery or after processing of the delivered object. In the event of defects that could not be detected during the course of an ordinary inspection, SWISS KRONO AG has 30 days from the date of discovery to report such defects.
- 5.3 SWISS KRONO AG is entitled to all guarantees provided for by law. In purchase contracts, SWISS KRONO AG may, at its discretion, opt to dissolve the contract, demand a reduction in the price, require the Supplier to rectify the issue at its own cost or, where such a solution is feasible, to ask the Supplier to supply appropriate equivalent goods of the same type as a replacement. In service or service delivery contracts, SWISS KRONO AG may refuse acceptance if the delivered object is suffering from defects that render it unusable for SWISS KRONO AG; if the defects are less significant, SWISS KRONO AG is entitled to a reduction in price in line with the reduced value of the product and may require the Supplier to rectify the defect at its own cost. SWISS KRONO AG reserves the right to resolve the defects itself at the cost of the Supplier if the Supplier is delayed in resolving the defects, if the delay results in danger or if there is an urgent need to resolve the problem. We reserve our right to compensation, compensation for defects and consequential losses relating to defects, price reductions and withdrawal from the contract.
- 5.4 In purchase contracts, the guarantee period is two years from the transfer of risk; for service or service delivery contracts, the guarantee period is five years from the transfer of risk. In the event of deliberate deception towards SWISS KRONO AG on the part of the Supplier, the guarantee will not be limited on the grounds of failure to report any defect; the Supplier has no recourse to the defence of limitation of actions in such cases.
- 5.5 If the Supplier is responsible for product damage, it is required to indemnify SWISS KRONO AG against any liability for claims from third parties, if the cause of the damage occurred under the Supplier's control and within its organisation and if the Supplier is considered liable for the damage.

6. Transfer of orders

- 6.1 The rights and obligations arising as a result of our orders and the performance of our orders may only be transferred to other parties with our written consent. This applies in particular to situations in which the contractual partner wishes to transfer the order, or any part of it, to a sub-supplier.
- 6.2 Claims against SWISS KRONO AG arising from a contract with the Supplier may only be transferred to another party with the explicit written permission of SWISS KRONO AG. SWISS KRONO AG reserves the right to make payment to the Supplier as the original creditor in fulfilment of its debts.

7. Copyrights

- 7.1 The Supplier guarantees that its delivery does not infringe upon any third-party rights, including but not limited to property rights and intellectual property rights (incl. commercial copyrights).
- 7.2 If a complaint is made against SWISS KRONO AG by a third party in relation to the infringement of such rights, the Supplier is required to indemnify SWISS KRONO AG against any such claims. SWISS KRONO AG is not permitted to reach any agreement with the third party without the agreement of the Supplier.
- 7.3 The Supplier's obligation to indemnify applies to all costs incurred by SWISS KRONO AG as a result of or in connection with the third-party claim.
- 7.4 All documents, software and information provided to SWISS KRONO AG will become the property of SWISS KRONO AG for its unrestricted use for the purposes of the contract.

8. Compliance with regulations and official requirements

- 8.1 The Supplier will design and produce its products/services to be free from defects and based on the latest technology. The Supplier must comply with the regulations and ordinances that apply in Switzerland or the place of use and must meet all official requirements, comply with all legal decisions and follow the technical rules, standards and guidelines that apply at the time at which the contract is concluded. In particular, the Supplier must comply with all professional rules and regulations and recognised rules relating to health and safety and environmental practices. Machines and technical equipment must be delivered with an instruction manual and an EU conformity declaration. Equipment should ideally be delivered with a CE marking. If this marking is not present, the Supplier must provide evidence of the product's conformity with the aforementioned regulations at the request of SWISS KRONO AG.
- 8.2 The Supplier must supply its products/services in accordance with all other applicable contract appendices including, in particular, delivery instructions, guidelines, specifications and technical information provided by SWISS KRONO AG.

9. Confidentiality

- 9.1 The Supplier hereby undertakes to handle with complete confidentiality all information provided by the Customer within the framework of this contract of which the Supplier was not aware before the commencement of discussions with the Customer in relation to this contract; furthermore, it undertakes not to make such information available to third parties or to use such information for its own purposes.
- 9.2 The Supplier must obtain the Customer's written permission before publishing any information on the fact that the Supplier has concluded a contract with the Customer or in relation to the application itself.

10. Insurance

- 10.1 The Supplier is required, at the request of SWISS KRONO AG, to maintain product liability insurance with a coverage sum of at least EUR 3 million per incident of personal injury or property damage (flat rate). Claims for damages by SWISS KRONO AG in excess of this amount remain unaffected.

11. General

- 11.1 No compensation will be paid for site visits or for drawing up plans, drafts or similar work. The Supplier is not permitted to use our order for promotional purposes.
- 11.2 Manuscripts, sketches, drawings and samples etc. provided to the Supplier remain the property of SWISS KRONO AG and may not be used for any purpose other than the performance of this contract; if the Supplier fails to comply with this provision, it will be held liable for damages. Such documents must be returned to SWISS KRONO AG when the order is delivered.
- 11.3 SWISS KRONO AG may offset any of its claims against the Supplier's claims, even where such claims have been acquired through a transfer of a company belonging to SWISS KRONO AG.

12. Data protection

- 12.1 The parties agree to process certain personal data (data received by one party from the other: "Exchanged data") in accordance with Article 6 (1) b) of the EU General Data Protection Regulation ("GDPR") exclusively for the purposes of fulfilment of this contract ("Permitted purpose"). Special categories of personal data (sensitive data) will not be transferred and processed. The party receiving the Exchanged data from the other party is referred to as the "Data recipient" and the party transferring the data is referred to as the "Data provider".

Information on the Exchanged data:

- (a) Categories of data subject
 - Persons who are involved in the fulfilment of the contract on behalf of either party or on behalf of a third party
- (b) Categories of Exchanged data
 - Contact information including names, job titles, locations, telephone numbers and other communication-related data
 - Special categories of data will not be transferred and processed.

- 12.2 The Data recipient will always process Exchanged data in a technically correct manner and in compliance with the applicable laws and the provisions of this contract, with the required level of professionalism and care and with the appropriate technical and organisational data security standards in place.
- 12.3 The Data recipient may only disclose or transfer Exchanged data to a third party where required to do so for the Permitted purpose and where such a transfer is compliant with the applicable laws, in particular Articles 25 and 26 of the GDPR.
- 12.4 Where required to do so by law, each party will inform the data subjects of the contractually agreed, joint usage of the Exchanged data. In accordance with the applicable law on the processing of Exchanged data, the Data recipient will immediately report to the Data provider any request, objection or other enquiry from a data subject ("Enquiry from a data subject") which could result in legal obligations or liability for the Data provider or where the legitimate interests of the Data provider could otherwise be affected.
- 12.5 If there is a breach of personal data protection (Article 33 GDPR), a legal dispute with a data subject, or a legal claim filed by a data subject, supervisory body or another third party, the parties each undertake to immediately inform the other and determine whether the incident relates to the processing of Exchanged data, resulting in legal obligations or liability for the other party, or whether the legitimate interests of the other party could be affected. In such cases, the parties will work together to a reasonably expected degree to coordinate their response and support one another.
- 12.6 The Data recipient will delete the Exchanged data as soon as it is no longer required for the Permitted purpose, unless the Data recipient is legally required or entitled to continue processing the Exchanged data.

13. Place of fulfilment and jurisdiction and choice of law

The place of fulfilment and jurisdiction for both parties is CH-6122 Menznau.
This contract is subject to Swiss law. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.

Menznau, Switzerland, November 2018