

1. Validity

- 1.1. These General Terms and Conditions apply to all deliveries and services provided by ATS-Tanner Banding Systems AG, Poststrasse 30, CH-6300 Zug, Switzerland and Tanner & Co. AG Verpackungstechnik, Industriestrasse 3, CH-5616 Meisterschwanden, Switzerland (hereinafter referred to as the "supplier") to the customer.
- 1.2. Deviating or supplementary provisions, especially the customer's General Terms and Conditions of Purchase, as well as verbal agreements shall only apply if they have been confirmed in writing by the supplier.
- 1.3. The written form is equated to all forms of forwarding that enable proof by text, such as fax or e-mail.

2. Concluding a contract, scope of deliveries or services, contract amendments

- 2.1. The supplier's bids are always non-binding, unless they are expressly denoted as being binding in writing. The contract between the supplier and the customer shall come into force when the contract is concluded or, if no such agreement exists, upon written order confirmation from the supplier or upon delivery of the products.
- 2.2. The scope and character of the delivery as well as the contractual conditions will concur with the supplier's written order confirmation unless the customer objects to the relevant details within 5 working days.
- 2.3. The supplier is also entitled to make changes or improvements to the ordered delivered goods after the contract has been concluded provided that they do not result in any impairment of quality or function, a price increase or the delivery deadline having to be extended.

3. Technical documents and software

- 3.1. Brochures and catalogs are non-binding unless otherwise agreed upon. Details shown in plans, drawings, technical documents and software data are only binding if they form an integral component of the contract.
- 3.2. The supplier reserves all rights to plans, drawings, technical documents and the software. The customer acknowledges these rights and will not make the plans, drawings, documents or software available to third parties in whole or in part without obtaining prior written authorization from the supplier or use them for any purpose other than the agreed purpose.
- 3.3. If the deliveries also include software, then the customer is granted non-exclusive and non-transferable rights to use the software for the agreed purpose. The customer is not entitled to make copies (unless for archiving purposes, for troubleshooting or for replacing defective data medias) or to update, upgrade or otherwise extend the software. The customer is not allowed to disassemble, decompile, decrypt or reverse engineer the software without obtaining prior written approval from the supplier. The supplier is entitled to revoke the right to use the software without giving any notice if the customer violates any of these provisions. In any case, in such a case, any warranty and liability for the supplier expires.

4. Legal regulations, standards

Unless otherwise agreed upon, the delivered goods will comply with the relevant regulations and standards in both Switzerland and the EU.

5. Leasing

- 5.1. If the delivery is made on a leasing basis, the customer shall pay a leasing price that is based on the relevant valid rates listed in the corresponding leasing agreement. Upon termination of the leasing agreement, the customer shall be to immediately return the leased goods to the supplier at his own expense and risk and during the supplier's business hours. Return of the goods will only be legally valid against a written receipt. The supplier is also entitled to collect the leased goods at the expense and risk of the customer. The customer has no right of retention to the leased goods in any way.
- 5.2. The customer is fully liable for the leased goods entrusted to him. He must use it carefully and for its intended purpose and he must never pass it on to a third party. An infringement of these obligations entitles the supplier to terminate the leasing agreement without giving prior notice.

6. Pricing

- 6.1. Prices are quoted in the agreed currency and, unless otherwise agreed upon, from the supplier's FCA facility in CH-5616 Meisterschwanden, Switzerland (as per Incoterms 2020 or the latest version), exclusive of VAT but includes standard packaging.
- 6.2. If the costs according to FCA or other costs are shown separately in the price, then the supplier also reserves the right to adjust the rates after the contract has been concluded if the prices demanded by the service providers will change if the delivery or service is to be made more than four months after contract was concluded. The right to adjust prices will also apply in the event of changes to other cost factors such as wages, materials or energy.

7. Payment terms

- 7.1. Unless otherwise agreed upon, the invoiced price is to be paid net within 30 days of the invoice date (maturity date) without any deductions for a cash discount, expenses, taxes, charges, fees or suchlike, to the account or otherwise as specified in the payment order.
- 7.2. Payments must also be made if only inessential parts of the delivery or service are missing or if reworking that only marginally affects the use of the delivered goods proves to be necessary.
- 7.3. If the customer falls more than fourteen calendar days in arrears with a payment, then the entire outstanding part of the price will become due immediately and the supplier can demand immediate payment and suspend further deliveries and services to the customer. The supplier is also entitled to withdraw from the contract without extending the deadline and to claim nonfulfillment damages of at least 10% of the price.

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7.4. The supplier shall charge a handling fee of CHF 10 for the first unpaid invoice reminder and CHF 20 for the second reminder. In the event of the reminders being unsuccessful, the invoiced amounts may be assigned to a debt collecting company. In this case, an additional effective annual interest percentage rate of 5% can also be charged on the invoiced amount owed as from the due date. The debt collection company will claim the open amounts under its own name and for its own account.

7.5. If the customer has defaulted on the payment of his leasing fees, the supplier will be entitled to terminate the leasing relationship without giving notice after the expiry of an unused final payment deadline of 10 days. The supplier is then entitled to demand the immediate return of the leased goods at the expense and risk of the customer or to collect the leased goods from the customer at the expense and risk of the customer.

8. Settling, retaining, assigning

8.1. The customer will only be entitled to settlement and retention rights if his counterclaim has been acknowledged by the supplier in writing or if it has already been legally established.

8.2. The customer is not entitled to assign claims from the contracts to third parties without obtaining prior written consent from the supplier.

9. Retention of title

9.1. The delivered goods remain the property of the supplier until full payment has been made. Should the validity of this retention of title provision depend on special requirements or formal requirements (e.g. an entry in a register), then the customer hereby expressly agrees to the supplier making an application for entry in the register. The customer will subsequently undertake to fulfill the further requirements and formal requirements for validating the retention of title and support the supplier in this process and to immediately inform him in the event of a change of domicile.

9.2. If the delay in payment amounts to more than fourteen calendar days, the supplier is entitled, at his discretion, to demand the return of the goods subject to retention of title at the expense and risk of the customer or to collect the goods subject to retention of title from the customer.

9.3. If this event occurs, the customer is obliged to pay the supplier compensation of 10% of the price per month for the duration of the possession (and use) of the goods subject to retention of title.

9.4. Any positive or negative balance in favor of or at the expense of the customer arising from his claim to repayment of payments already made and the preceding compensation claims shall be due for payment within 30 days of the return of the goods subject to retention of title.

10. Packaging

The packaging will not be taken back. However, if the packaging is expressly designated as being the property of the supplier, then it must be returned by the customer, carriage paid, to the place of dispatch.

11. Delivery & delivery deadline

11.1. Partial deliveries are allowed. The supplier can issue partial invoices for partial deliveries.

11.2. The delivery deadline commences as soon as a contract is concluded and all official authorizations such as export, import or payment authorizations are available, any deposits, advance

payments or letters of credit have been received by the supplier and as soon as the customer has provided or approved all of the agreed technical documents.

11.3. The supplier's compliance with the delivery deadline is subject to the following reservations, i.e. the delivery deadline will be reasonably extended or the delivery date postponed if:

a) The supplier is prevented from delivering through force majeure. Force majeure is the same as unforeseeable circumstances, for which the supplier is not responsible, which make the delivery difficult or impossible due to delays in delivery or wrong deliveries from the subcontractors or sub-suppliers, labor disputes, implemented official measures such as export bans or embargoes, shortages of raw materials or energy supplies, major operational disruptions such as operating breakdown in the entire company or in important departments or due to the failure of indispensable manufacturing facilities or serious transport disruptions, e.g. road blocks. Should these circumstances continue for more than two months, then both parties have the right to withdraw from the contract. Claims for damages made by the customer are excluded.

b) If the customer is in default with the fulfillment of his contractual obligations, especially if he does not comply with the terms of payment or does not provide the agreed securities on time.

c) If the goods to be delivered are changed or supplemented at the request of the customer after the contract has been concluded.

11.4. If the customer does not accept the goods to be delivered when they are reported as being ready for dispatch or if he cancels the contract without justifiable reason, then the supplier is entitled to withdraw from the contract after the futile expiration of a deadline extension, which does not have to be more than one week, and to claim damages in compliance with Section 7.3.

12. Inspection, acceptance, notification of defects

12.1. If the parties agree on an Incoterm according to which the supplier bears the transport risk, then the customer must attach a corresponding objection on the receiving documents provided by the freight carrier in the event of damage to or loss of the goods during transport.

12.2. If the parties do not agree upon joint acceptance at the customer's facility, then any other defects regarding identity, quantity, weight or quality of the delivered goods must be reported to the supplier within 10 days after commissioning or 30 days after receipt at the latest. In the event that the delivered goods were accepted during a preliminary acceptance test at the supplier's facility (Factory Acceptance Test [FAT]), only defects that could not be detected during the FAT or defects that were identified during the FAT but have not yet been remedied can be reported during the commissioning.

12.3. Hidden defects must be reported by the customer within 5 working days of their detection at the latest and within the warranty period in any case. Defective parts are to be stored until the warranty claims or claims for damages have been finally clarified and they are to be made available to the supplier upon request so that the supplier has the opportunity to inspect the defect or damage or have it inspected by a third party before the defect or damage is repaired.

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13. Defects liability

- 13.1. In the event of incorrect deliveries or the delivery of defective delivered goods or in the event of defects due to incorrect commissioning, operating or maintenance instructions or incorrect advice, the customer will be, at the discretion of the supplier, entitled to free-of-charge replacements or free-of-charge repairs within a reasonable period of time. Further warranty claims (especially cancellation, reduction and damages) - irrespective of the legal basis - are expressly excluded, unless they are expressly granted in special cases listed below.
- 13.2. In the case of delivered goods that are manufactured in compliance with the customer's own details, drawings or specifications, the supplier's warranty will be limited to possible material or manufacturing defects.
- 13.3. For deliveries and services from subcontractors or subsuppliers that have been stipulated by the customer, the supplier assumes warranty and liability exclusively within the scope of the warranty and liability given by the subcontractor or subsupplier (re: Section 15).
- 13.4. The customer is entitled to demand the cancellation of the contract or a reduction in the price, if:
- a) the repairing defects or subsequent delivery proves to be impossible or unreasonable for one of the parties.
 - b) the supplier is unsuccessful in rectifying the defect or delivering a replacement within a reasonable period of time or if he refuses or culpably delays the repairs or replacement.
- 13.5. Excluded from the warranty are defects and damages caused by natural wear and tear of wear parts, especially seals, rubber rollers and blades, defects or damage arising from incorrect use, storage, handling or maintenance of the delivered goods, ignoring the commissioning or operating instructions, excessive stress, using unsuitable operating materials, inappropriate intervention by the customer or third parties and defects caused by the use of non-original parts or non-original consumable materials as well as other reasons for which the supplier has no control over. Insignificant deviations from the warranted characteristics of the delivered goods do not give rise to any warranty claims.

14. Liability

Should the supplier negligently or intentionally breach his contractual or legal obligations and if this causes personal injury or damage to property belonging to the customer, then he will be liable - subject to mandatory statutory provisions - up to a maximum of twice the value of the contract. The value of the contract corresponds to the net amount that the customer has to pay for the contractual service. Any further liability on behalf of the supplier, especially with regard to financial loss, loss of profit, consequential damage, etc., to the customer or third parties, regardless of the legal basis on which they are based, is expressly excluded.

The preceding liability limitation will also apply insofar as the supplier is liable for the conduct of his auxiliary personnel.

15. Forfeiture

- 15.1. Warranty and liability claims will expire 12 months after the end customer receives the delivery or after completion of the supplier's service (months, maintenance, inspection, commissioning). If the customer, being a retailer, has

purchased the delivered goods for the purpose of resale, then any warranty claims made by the customer will expire, at the latest, 18 months after the customer received the delivery. If joint acceptance at the customer's or end customer's facility is agreed upon, then warranty claims will expire 12 months after successful acceptance or, at the latest, 18 months after delivery by the supplier.

- 15.2. Warranty and liability claims for replaced or repaired parts will expire 12 months after delivery or repair.

16. Contract termination by the supplier

Should unforeseen events occur that substantially alter the economic significance or the content of the delivery or have a significant effect on the supplier's ability to fulfill the contract or if implementation of the deliveries subsequently proves to be wholly or partly impossible, then the contract will be readjusted accordingly. If this proves to be economically unjustifiable, the supplier has the right to cancel the contract or just the parts in the contract that are affected by this.

If the supplier intends to cancel the contract, then he must immediately notify the customer after becoming aware of the consequences, even if an extension of the delivery period has already been agreed upon. The supplier is entitled to remuneration for the deliveries already made in the event that the contract is canceled. All claims (especially claims for damages) from the customer are excluded.

17. Availability of spare and wear parts

The supplier will strive to ensure non-binding availability of spare and wear parts for his products for 10 years after delivery of the original product and for system components from other manufacturers this will be for as long as they can be procured via the usual trade channels.

18. Personal data privacy

Insofar as the parties within the framework of implementing the contract always abide by the statutory data protection provisions. In so far as is needed for fulfilling the contract, they are entitled to prepare and disclose it to third parties (e.g. sub- at home and abroad. Subsequently, they should also refer to the supplier's data protection declaration, which can be called www.ats-tanner.com.

19. Partial invalidity

Should any of the provisions in these terms and conditions prove to be ineffective in whole or in part, this will not affect the validity of the remaining provisions or the contract. The parties shall replace the ineffective provision by a new legally effective agreement that comes close as possible to the original legal or economic purpose. The same procedure must be followed if there is a loophole in these conditions.

20. Applicable law, place of jurisdiction

Swiss substantive law will apply with the exclusion of the conflict of laws provisions of Swiss international private law as well as the United Nations Convention on Contracts for the International Sale of Goods (CISG). The exclusive place of jurisdiction shall be that of the supplier's registered office in Switzerland. However, the supplier shall also be entitled to adjudication before any other competent court.

Valid as from 01/01/2020