

1. General information – scope of application

- ## 2. Conclusion of the contract

- ### 3. Manufacturing

- #### 4. Sales prices

- ## 5. Payment terms

- 5.3. The CP shall enter into default immediately as soon as the payment period elapses, without receiving any reminders to this effect.
- 5.4. We reserve the right to charge default interest. The default interest rate is 8% above the applicable Swiss National Bank (SNB) base rate.
- 5.5. We expressly reserve the right to assert further claims for damages caused by such default.
- 5.6. If there are reasonable doubts about the CP's ability to pay, particularly in case of payment arrears, PC shall be entitled to revoke any payment periods granted and/or to take other measures (retention of goods, advance payment, etc.)

- 6.1. Delivery shall take place ex works, which is also the place of performance for the delivery and any subsequent performance.
- 6.2. Orders for compounds or master batches from the CP must be placed with PC well in advance. PC's minimum delivery time corresponds to the longest delivery time of a raw material + 15 working days, but at least 14 weeks.
- 6.3. Without an agreement on annual quantities, PC reserves the right to suspend production availability entirely.
- 6.4. The stated delivery times and delivery dates are reference times. Fixed deadlines must be expressly designated and confirmed as 'fixed deadlines'.
- 6.5. As long as the CP is in arrears with any obligation arising from the ongoing business relationship, the obligation to deliver shall be suspended.

- 6.6. Services shall be invoiced as soon as they have been provided. In case of goods deliveries, they shall be invoiced when they are ready for delivery. In case of partial deliveries, invoicing shall also take place when the partial delivery is ready for delivery.
- 6.7. PC is authorised to make partial deliveries.
- 6.8. If transport of the goods is permanently or temporarily impossible through no fault of PC, the purchase price shall nevertheless fall due. In such cases, the goods shall be stored at the CP's risk and expense.
- 6.9. All disruptions to performance caused by events and circumstances that are beyond PC's control, particularly disruptions to performance due to force majeure (pandemics, power shortages, etc.), shall extend the agreed delivery periods by the duration of the disruption to performance plus a reasonable startup period. PC shall notify the CP of the occurrence of such disruption to performance without delay.
- 6.10. Unless agreed otherwise, PC is entitled to increase or decrease the delivery quantity by up to 10%.
- 6.11. The risk is transferred in accordance with the INCOTERM stated in the order confirmation. If nothing is stated, the INCOTERM EXW shall apply.
- 6.12. If the CP falls into default of acceptance or fails to cooperate, or if delivery is delayed for other reasons that the CP is responsible for, PC shall be entitled to claim compensation for the resulting damage, including additional expenses (e.g. storage costs).

- 7.1. Deliveries of raw materials shall be delivered DDP to PC. If deliveries are sent DAP, PC shall be entitled to pass on the import costs to the CP as a flat rate in addition to the sales price.
- 7.2. Following order placement, PC shall inform the CP of the times when customer-supplied materials must be made available to PC in Sissach, Switzerland. Customer-supplied materials shall be delivered 'just-in-time' on the exact day. PC shall grant a maximum tolerance of +/- 1 day.
- 7.3. If the CP enters into delay with the ordered materials and this results in additional expenses (for storage, handling, etc.) or downtime costs, these shall be borne by the CP.

- 7.4. The CP shall ensure that the legal compliance requirements (REACH, SVHC, ORRChem, ChemO, customs restrictions, etc.) are met for all customer-supplied goods.

- 8.1. PC shall procure raw materials, packaging materials and/or consumables on behalf of the CP. The materials to be procured must be defined by the CP. The following information must be available as a bare minimum: 1. the exact designation of the material; 2. the source of supply / supplier; 3. the agreed quality requirements; 4. the agreed terms (prices etc.).
- 8.2. The material to be procured shall be purchased on an order-specific, just-in-time basis, and only for the campaign / production to be processed. Only material specified by the CP shall be procured.

- 8.3. PC shall not undertake any strategic purchasing activities. The CP is responsible for agreeing adequate purchasing terms.
- 8.4. PC shall charge a processing fee per raw material, per production for undertaking the procurement activities.
- 8.5. Raw materials procured by PC shall be purchased DDP. If deliveries are sent DAP, PC shall be entitled to pass on the import costs to the CP as a flat rate in addition to the sales price.
- 8.6. The maximum pre-storage period for goods is 48 hours. If a supplier is unable to make just-in-time deliveries, the material must be pre-stored at the CP's expense. The goods must be available for call-off within 24 hours.
- 8.7. If the CP has not defined any material specifications for purchased goods, the values on the manufacturer's CoAs shall be binding. If a specification exists and the customer-supplied goods fall outside of the specification, the CP shall decide on their use / suitability and shall issue a special release if necessary.
- 8.8. Complaints to suppliers shall be handled by the CP and supported by PC. The CP shall receive a copy of the correspondence.
- 8.9. Delivery disruptions shall be considered to be disruptions to performance according to (6.9).
- 8.10. The CP shall ensure that the legal compliance requirements (REACH, SVHC, ORRChem, ChemO, etc.) are met for all raw materials, packaging materials and consumables.
- 8.11. The CP shall assume an acceptance guarantee for all procured material.

9. Storage

- 9.1. As a rule, no raw materials or finished goods shall be stored on PC's premises. However, PC offers the CP solutions for material storage. The costs including pre-financing shall be charged to the CP (either monthly or as agreed). Any alternative arrangements must be specifically agreed.
- 9.2. Storage shall take place at the CP's risk. The CP is responsible for insuring the goods.
- 9.3. The CP is responsible for the usability of the materials. If a material is beyond its shelf life, the CP must bear the material and disposal costs.

10. Dispatch and insurance

- 10.1. All shipments are made at the CP's risk – even in the case of carriage paid-delivery.
- 10.2. PC shall only carry out transport on the CP's behalf. Insurance of goods during transport is therefore the CP's responsibility.
- 10.3. Manufactured material shall be dispatched to the CP immediately. Post-storage of finished goods is 48 hours maximum. A separate written agreement must be concluded for longer storage periods.

11. Warranty for defects

- 11.1. The CP must inspect the delivered goods immediately upon delivery. If necessary, the CP shall carry out trial processing to check whether the delivered goods are in perfect condition and suitable for the agreed purpose.
- 11.2. Any defects that are recognisable during the inspection must be reported to us without delay, at the latest within two (2) working days of receipt of the goods; latent defects must be reported at the latest within three (3) months of receipt, in writing and stating the order details and the invoice, manufacturing and dispatch numbers. The CP must describe the defects as precisely as possible. If the CP fails to give such notification, the goods shall be deemed to have been approved and the CP's warranty claims regarding obvious or known defects, including any consequential defects arising therefrom, shall lapse. Proper storage of the goods is a prerequisite for recognition of any complaint.
- 11.3. For goods intended for export, the CP must inspect the goods immediately upon delivery and report any recognisable defects and/or shortfalls immediately after unloading from the means of transport. The notification must be made in writing and provided with justification enabling verification.
- 11.4. If the goods are forwarded by the CP without transshipment, the inspection must nevertheless take place at the first destination.
- 11.5. The notification of defects shall only extend to the packaging unit (container) complained about, without this affecting the CP's obligation to accept the agreed quantities delivered or still to be delivered.
- 11.6. The CP's specification shall be decisive for quality assessment purposes. If the specified values have been demonstrably met, the compound shall be deemed to be free from defects.

- 11.7. PC shall process the materials with metal machinery, so the finished product may potentially contain metal.

- 11.8. The warranty period is one (1) year from delivery of the goods.

12. Information, advice and recommendations

- 12.1. If PC provides information about our products' processing and application possibilities or about other circumstances, or if PC gives technical advice or a recommendation, it shall do so to the best of its knowledge, but without obligation. Such information, advice or recommendations shall not relieve the CP from its obligation to perform its own testing and trials. Claims for damages cannot be asserted in any form.

- 12.2. PC shall not be obligated to provide the CP with data on the manufacturing process or quality assurance (except for the agreed quality requirements).

13. Retention of title

- 13.1. Delivered goods shall remain our property (goods subject to retention of title) until all claims arising from the business relationship with the CP have been paid in full.
- 13.2. The CP is entitled, in the context of the ordinary course of business and as long as it is not in payment default, to resell the goods subject to retention of title under its normal terms and conditions of business. However, pledging the goods or transferring ownership of the same as security is not permitted.
- 13.3. If PC is entitled to realise the goods subject to retention of title, this may also be done by private sale.

14. Liability

- 14.1. All liability is limited to a maximum of the value added (per campaign or production) provided by PC.
- 14.2. If raw materials are damaged or rendered unusable through faulty production, the maximum liability for damages according to (14.1) shall nevertheless apply.
- 14.3. The limitations of liability resulting from (14.1) shall also apply to breaches of duty by or in favour of individuals whose fault PC is responsible for under statutory provisions.
- 14.4. PC is not liable for damage caused by defective raw materials or formulations from the CP.
- 14.5. As a contract processor, PC does not have detailed information concerning how the manufactured finished goods are used. For this reason, PC excludes all liability for consequential damage.
- 14.6. The CP's claims for damages, irrespective of their legal basis, shall lapse twelve (12) months after the CP becomes aware of the circumstances giving rise to the claims, but at the latest two (2) years after the breach of duty.

15. Final provisions

- 15.1. The place of performance for delivery is the respective loading location. The place of performance for the CP's payments is exclusively our registered office in Sissach, Switzerland.
- 15.2. Swiss law shall apply exclusively, to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
- 15.3. The place of jurisdiction for all disputes arising between the contracting parties is exclusively PC's respective registered office. However, PC is also entitled to bring action at any other court with jurisdiction over the CP, in particular its general place of jurisdiction.
- 15.4. Should individual provisions set out in these Sales GTCs be invalid, this shall not affect the validity of the remaining provisions. Any invalid provisions shall be replaced by valid ones that most closely reflect the meaning and purpose of such provisions.