

microSTECH Ltd.: General Terms and Conditions for Services

**1. Scope of Application**

The business relationship between microSTECH Ltd. (MT) as service provider and its customers as ordering party shall be subject to these General Terms and Conditions (Terms). No modification of these Terms shall be binding unless agreed upon in writing and signed by the parties.

**2. Existence of Contract**

The quotation (incl. the Terms) submitted to the customer shall be equivalent to an offer. If the customer places an order with MT, the contract shall come into existence on confirmation of that order by MT. Should the order confirmation not meet the agreed upon conditions, the customer shall inform MT within 48 hours by e-mail which essential conditions are not reflected in the order confirmation.

**3. Extent and Manner of the Services**

MT basically provides the following services:

- (i) Cosmetics and Dietary Supplements: MT develops, produces and bottles cosmetics and dietary supplements.
- (ii) Analyses: MT offers a range of microbiological and molecular-biological in the fields of cosmetics, household, care, environment, water, hygiene and veterinary medicine.

MT shall have the right to bring in third party experts to provide its services.

**4. Support by Customer**

The customer undertakes to provide MT with all necessary documents and information and any sample material available promptly and in full. Moreover, the customer undertakes to inform MT of noxious substances or materials beforehand and in writing. Subject to any contrary written indication received at the latest with the order confirmation from the customer, MT will execute the order in compliance with the regulations of Switzerland.

**5. Delivery Deadlines**

Any deadlines or periods for the provision of the services shall stand, saving events of force majeure. Deadlines shall commence as soon as the parties have agreed on all details of the order, and the customer has passed to MT all documents and materials necessary for the provision of the service.

**6. Delivered Quantity**

The delivery quantity may vary +/- 10-15% from the quantity ordered; the effective delivered quantity will be charged.

**7. Delivery Conditions**

MT delivers EXW (Ex Works) registered office of microSTECH Ltd. in Olten in accordance with the ICC Incoterms 2015, unless nothing to the contrary was agreed upon in the offer or order confirmation, and independently of which party organises the transport (shipment and insurance).

**8. Report of Analysis**

Except in case of oral consulting, MT will inform the customer of any results of the order in writing (per mail, fax or e-mail). Unless otherwise agreed, the report will be issued in German. Any translations will be charged separately.

**9. Remuneration**

The services will either be charged on a time and material basis, in case of standard analyses, on a case-based lump sum, or, in case of products, on the basis of the units ordered. The hourly rates and/or the lump sums agreed upon with the customer shall apply. If a fixed price is agreed, it shall be based on the principles known at the time of conclusion of the contract, and shall be conditional on fulfilment of the conditions agreed at that time. If these principles and conditions change, MT may request revision of the fixed price. Unless otherwise agreed, all ancillary costs (in particular delivery and travel expenses) shall be borne by the customer. Travelling time shall be treated as working time and is charged as such. The agreed prices shall be deemed exclusive of any taxes and duties. In case of an order cancellation, MT reserves the right to charge all costs of the order to customer's account. Invoices shall be payable without deduction within 10 (ten) days of the invoice date. Unless otherwise agreed in writing, the payments shall be due in CHF [Swiss Francs] and made to such account as indicated on the respective invoice. In case of large orders over CHF 10'000, MT shall be entitled to request an advance payment of at least 50%. And with regard to orders for which the raw materials may only be sourced in large quantities, MT shall have the right to charge the customer for such raw materials and to store them at MT in customer's name.

**10. Rights to the Results and Know-how**

Results that MT elaborates for the customer (reports order products) belong to the customer. The customer shall hold the right of commercial exploitation thereon, subject to Clause 12 below.

Know-how that MT applies in the course of customer orders belongs to MT, except for know-how and product developments that are specifically developed for the customer and for which the customer has paid.

MT shall, however, be entitled to use such know-how in the context of its research and development activity and subject to the terms and conditions of Clause 13 below. If the know-how developed by MT consists of a patentable invention, the parties shall agree separately on how to apply for the patent, how to meet the costs thus incurred, and on reasonable compensation for MT if the customer exploits the patent commercially. Know-how that MT already possessed or obtained elsewhere shall remain its property. MT shall be entitled, by agreement with the customer, to publish the results of work.

**11. Archival Storage of Report and Samples**

MT will store all correspondence with the customer, incl. the report, during 10 (ten) years. Subject to any written agreement to the contrary, MT will store, of each produced batch, free of charge, at least three (3) samples during the durability of the respective product, and will, thereafter, destroy the samples

free of charge. MT will store laboratory samples free of charge during 6 (six) months, and perishable laboratory samples during 14 (fourteen) days after issuance of the report, and will thereafter destroy them free of charge.

**12. Advertising**

The use of the MT report and other written documents (incl. the simple reference thereto) for any advertising purposes whatsoever, is subject to the prior written consent (incl. any terms and conditions) of MT, and is subject to a fee. MT shall have the right to use the customer as a reference.

**13. Confidentiality and Obligation to Inform**

Subject to the following paragraph and Clause 9 above, MT undertakes to keep any correspondence with the customer confidential and not to disclose it to any third party. Any MT affiliates and third parties mandated for the provision of the services shall not be considered as third parties. The customer undertakes to keep the terms and conditions of the order (in particular the remuneration) confidential. If investigation shows that important public interests are jeopardized or statutory provisions infringed, MT shall be entitled to report the fact to the competent authority.

**14. Warranty**

MT warrants that it will execute all services state-of-the-art and in accordance with the applicable certifications and accreditations. In case of testing, measurement and analytical services, test results shall relate only to the samples provided by the customer and examined by MT. MT does not warrant for the applicability of such test results to other supplies of the same material, substance, etc. Unless otherwise agreed in writing, MT expressly excludes any other warranties and representations, express or implied, and specifically disclaims any (implied) warranty and representation of merchantability or fitness for a particular purpose and any warranty and representation that the use of the services will not infringe any patent, copyright or trademark. The warranty period shall be 1 (one) year for delivered products, unless the carrying durability is shorter or longer. For laboratory samples, the warranty period shall generally be 6 (months), for perishable laboratory samples, 14 (fourteen) days from issuance of the report.

**15. Notification of Defects**

The customer shall notify MT in writing of any obvious defects within three (3) business days of receipt of the products or report of analyses, respectively; and customer shall notify MT in writing of any hidden defect within three (3) business days of detection, latest within the warranty periods specified in Clause 14 above. In case any analysis has to be repeated following any complaint, MT reserves the right to charge such costs to the account of the customer, should the results of the repeated analysis not substantially differ from the results of the first analysis.

**16. Liability**

Subject to the following paragraph, MT shall be liable for any losses due to wilful intent or gross negligence. Any further liability, regardless of legal grounds, and especially for indirect and consequential losses, shall expressly be excluded, as far as legally permissible. Subject to the following limitations and as far as legally permissible, MT shall be liable only for damages caused by wilful intent or gross negligence and its liability for any actions or omissions shall not under any circumstances exceed the remuneration for the services with respect to which such liability is claimed or, at the option of MT, shall be limited to the replacement/re-execution of the services or equitable adjustment of the remuneration. In no event shall MT be liable for special, indirect, consequential or punitive damages, including any damages resulting from loss of use, loss of profits, loss of business or goodwill, whether based on contract, tort or any other legal grounds.

**17. Priority of German Version**

In case of any discrepancies between the two language versions (German/English) of the Terms, the German version shall have priority.

**18. Applicable Law - Jurisdiction**

This contract shall exclusively be governed by **Swiss law**. The place of jurisdiction shall exclusively be the registered office of microSTECH Ltd. MT shall be free to sue the customer at its registered office or domicile, respectively.

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