

# General Terms and Conditions of Model AG

## 1. Offers

Offers are valid for 30 days as of the date on which they were issued. Offers made on the basis of rough templates are considered to be non-binding.

## 2. Intellectual property, industrial property rights, title to working materials

Model AG retains exclusive title to intellectual property and industrial property rights related to the drafts, templates, sketches, samples, films, lithographs, printing blocks, dies, die moulds, negatives, plates, pressure rollers, printing plates, moulding equipment, digital data, printing cylinders etc. (the 'Working Materials') which Model AG has developed. The buyer may not use these Working Materials without an express, prior and written agreement stipulating appropriate compensation for usage.

Model AG accepts no responsibility for text, images, graphic depictions, bar codes etc. which the purchaser has applied to the printed material. In particular, the purchaser is responsible for ensuring that this does not infringe on any third-party rights such as industrial property rights or copyright law nor violate any statutory or sub-statutory provisions.

Working Materials which are required for the manufacture of the merchandise and which Model AG has produced remain its property, even if the buyer has contributed financially to the production costs. Model AG is under no obligation to surrender such materials. If the buyer fails to request the Work Materials and data sets within two years of their last use by Model AG, Model AG shall be entitled to destroy them after providing the buyer with notice.

## 3. Sketches, drafts and other preliminary work

Sketches, drafts and other preliminary work ordered by the client shall be charged for even if no contract is subsequently awarded.

## 4. Prices

The confirmed prices are subject to change as of the date of delivery. The price does not include value-added tax, which shall be invoiced separately.

## 5. Deliveries

Deliveries with a sales value of at least CHF 350 shall be made free of charge by truck to the railway station or to the domicile of the buyer. Should the buyer request expedited delivery, he/she shall bear the additional costs for this. Model AG shall refund the calculated freight costs if the merchandise is collected from its premises. Merchandise must be collected up to three days after the buyer notifies Model AG. Thereafter, the merchandise shall be shipped to the recipient and the freight costs shall be charged. Unless agreed otherwise, deliveries shall be made on pallets at least 180 cm in height. Any deviations shall allow Model AG to pass on the costs of extra time and materials. Deliveries shall be shipped on standard European-pallets measuring 80 x 120 cm. As part of the exchange process, the buyer undertakes to return the same number of pallets and in flawless condition. If it has sent a reminder which has not been heeded, Model AG shall invoice the buyer with the purchase price of pallets that are not exchanged.

Delivery deadlines are only binding if Model AG has expressly issued a written guarantee to adhere to them. The delivery deadline shall be deemed adhered to if the merchandise is transferred to the carrier in sufficient time that punctual delivery can be expected under normal circumstances.

If Model AG fails to adhere to the delivery deadline, the buyer shall be obliged and entitled to set a reasonable subsequent delivery deadline in writing for Model AG. If this subsequent deadline also expires before the merchandise is delivered, the buyer can withdraw from the contract. With regard to long-term or successive delivery contracts, the right of withdrawal is limited to the specific delivery unless it is no longer reasonable for the buyer to continue with the entire contract.

## 6. Place of fulfilment

The place of fulfilment for the delivery obligations of Model AG is the location of the Model branch that ships the goods; all of the provisions are laid out in Incoterms 2010.

## 7. Reservation of ownership

As goods subject to reservation of ownership, the delivered merchandise shall remain the property of Model AG until the purchase price has been paid in full and all existing claims as part of the business relationship, including any incidental claims in connection with the delivered merchandise (default interest, damage caused by delay etc.), have been settled; the buyer authorises Model AG to register its reservation of ownership of the merchandise delivered in line with the order confirmation in the official register.

## 8. Terms of payment, offsetting, assignment

Unless otherwise agreed, invoice amounts are due and payable without deductions upon receipt. Cash discounts are possible only if expressly agreed in advance, in writing. If the buyer does not pay the invoice amount within 30 days of receipt of the invoice or by the agreed payment date, he will be in default without being sent a specific reminder. If the buyer is in default of payment, Model AG is entitled to charge default interest at the statutory rate, with a minimum rate of 5 % p.a. The foregoing provision is without prejudice to the assertion of further damage caused by default.

The buyer is only entitled to offset claims or to retention rights if his counter-claims have been conclusively upheld by a court or tribunal, are undisputed or have been acknowledged by Model AG.

The buyer's claims from the business relationship may not be assigned without the express, written consent of Model AG.

## 9. Labelling

Model AG is entitled to place its company name, its company logo or its identification number on the merchandise it has produced in a reasonable location and in a form which does not relevantly affect the design of the merchandise.

## 10. Inspection of delivered merchandise and complaints

The inspection shall be carried out in line with the generally accepted industrial standards and the guidelines of our ISO 9001 certification, BRC/loP Quantity deviations are permissible as follows:

- under 1000 units per format  $\pm 20\%$
- over 1000 units per format  $\pm 10\%$

Within these limits, the buyer is obliged to accept the merchandise and pay the full price. Complaints concerning quantity must be made as soon as the merchandise is received.

## 11. Properties of the merchandise

Model AG is only required to provide merchandise with specific properties if it expressly warrants specific features in writing. In the absence of deviating agreements in the contract, the suitability of the packaging material for direct contact with foodstuffs is not warranted.

In the absence of an express, written agreement, Model AG assumes no liability for impairments to the merchandise or packaged goods resulting from direct contact.

The merchandise is deemed in conformity with the contract with respect to printing and processing if the print and processing quality is within the tolerances that reflect the latest state of the art.

The samples Model AG provides are drafts or plotter samples, which may deviate from the products produced on machines with respect to material, appearance (e.g. punching bridges, colour) and processability (e.g. groove resistance).

The buyer is aware that processing the merchandise after it has been stored for an extended period of time may lead to problems such as worsened run properties, adhesiveness, colour fastness and flatness. If the originally agreed release order or delivery dates are exceeded by more than six months at the buyer's instigation, he will accept any such ageing phenomena as proper conditions of the merchandise.

## 12. Liability, warranty for defects, compensation, obligation to make a complaint

The buyer must immediately inspect the delivered merchandise and file any complaints relating to the quantity or obvious defects with the seller in writing as soon as the delivery is received. If hidden defects only become apparent at a later date, the buyer must report them as soon as it becomes aware of them, or before the expiry of the warranty period at the latest. If the seller does not receive any notifications of defects, the merchandise shall be deemed delivered in accordance with the contract. Complaints relating to defects must be filed with suitable samples and/or photos.

Model AG is not liable for defects resulting from the improper storage and/or processing of the goods on the part of the buyer.

Model AG is not responsible for defects resulting from the use of materials specified by the buyer (such as cardboard, adhesives, colours or printing plates). The same applies to defects resulting from the buyer having instructed Model AG to engage certain third-party services.

Declarations of conformity, agreements on characteristics or specifications issued by Model AG do not represent warranties and do not establish strict liability. In particular, they also do not release the buyer from his duty to ensure that the merchandise is suitable for the packaged goods in question before processing it, including by carrying out relevant analyses.

In the event of legitimate complaints or notifications of defects, the liability of the seller shall be limited to replacing the merchandise in question free of charge. The buyer shall have no other claims, such as to rescission, reductions or compensation, or on the grounds of lost profit or direct/indirect damage or consequent damage.

All warranty claims of the buyer concerning defects in the delivered merchandise (including claims for damages) shall expire in one year. The deadline shall commence upon the delivery of the goods.

## 13. Insurance cover

The seller has concluded a liability insurance policy with a reasonable level of cover for personal injury and damage to property and resulting financial losses occurring in connection with its products; on request, it can provide evidence of this policy.

## 14. Force majeure

Extraordinary circumstances over which Model AG has no influence and which severely hinder or prevent the fulfilment of its contractual obligations will release it from its delivery obligation. If circumstances permit, Model AG is obliged to inform the buyer of such events, in writing, as swiftly as possible.

## 15. Place of jurisdiction

The exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is Weinfelden, Thurgau.

## 16. Applicable law

These Terms and Conditions and all the legal relationships between the parties are governed by the laws of Switzerland. The foregoing provision also applies to international deliveries.

Weinfelden, 1 July 2015