

General Terms and Conditions Skinrock AG (AGB)

1. APPLICABILITY, CONTRACTUAL COMPONENTS AND PRECEDENCE

1.1 Applicability

1.1.1 These General Terms and Conditions ("**AGB**") of Skinrock AG ("**Skinrock**") govern with direct effect all legal relations which come into existence between Skinrock and their contractual partners.

1.1.2 The AGB are particularly valid as supplement to general framework contracts to be drawn up in each case or other contracts, and apply to all services to be fulfilled by Skinrock within the legal relationships in each case or contracts (offers, orders, sales, distribution and deliveries) for all contractual partners (distribution partners and end-users hereinafter referred to as "**Contractual Partners**"), insofar as no contractually deviating individual agreements are made.

1.1.3 Deviating general conditions of business of contractual partners only apply insofar as their validity is explicitly recognised by Skinrock in writing.

1.2 Contractual Components and Order of Precedence

1.2.1 The AGBs, appendices of any kind to general framework contracts and other contracts as well as all orders from contractual partners and confirmation from Skinrock, are integral components of the contractual relationship between Skinrock and the contractual partners. These integral components apply to all individual orders from the contractual partners and for the corresponding order confirmation from Skinrock.

1.2.2 In the case of contradictions between the order confirmation from Skinrock, orders from contractual partners, contracts and the AGBs, the following order of precedence applies to the contractual components:

1. Order confirmation from Skinrock
2. Exclusive distribution agreement (general framework contract)
3. Skinrock general terms and conditions
4. Orders from contractual partners

1.2.3 Accordingly, the order confirmation from Skinrock always takes precedence as a basis for every individual order, over the other components of the contractual relationship.

2. CONCEPTS / DEFINITIONS

2.1.1 "**Utilisation for the intended purpose**" means the purpose for which the contractual partner will sell and/or make use of the products; as a rule, use of all Skinrock products in interior and exterior applications in the construction industry.

2.1.2 "**Products**" means the products released by Skinrock for sale and distribution within the Contractual Territory. These are stone veneers with a coating (made of different components) on the back, including accessories of any kind, including without reservations cleaning, impregnation and joint sealing agents (these goods in their entirety are referred to as accessories):

SKINROCK BASIS
SKINROCK BASIS PLUS
SKINROCK TRANSLUCENT
SKINROCK DESIGN
SKINROCK ADDITIVES

- 2.1.3 **"Minimum Sales Quantities"** means purchases of at least one 20 foot container (2500 – 3200 m²). **"Container"** means a quantity of 2500 - 3000 square meters (m²) of products (not including accessories). **"Large Quantities"** means quantities of products (not including accessories) in container sizes (approx. 2500 - 3000 m² per order). **"Small Quantities"** means quantities of products (not including accessories) amounting to less than one container size (less than approx. 2500 - 3000 m² per order).
- 2.1.4 **"Territory"** or **"Contractual Territory"** means the countries / regions specifically defined in the agreement in each case. **"Reserved Territory"** means the territory which has been awarded by Skinrock exclusively to other contractual partners. **"Inadmissible Sales"** means directly or indirectly (i) actively contacting individual customers (e.g. by writing directly to or visiting them, (ii) actively contacting a majority of customers using any kind of informational means or other trade initiatives (e.g. advertising) or, (iii) by creating a warehouse or sales point (or a similar agency) in a reserved territory.
- 2.1.5 **"Force majeure"** means events or circumstances which occur within the area of risk of a contractual partner and which prevent them from fulfilling their contractual tasks and duties, are outside the control of the party affected and in general, cannot be insured against (e.g. strikes, civil conflict [including piracy], natural catastrophes [flooding, earthquakes, etc.], shortages or unavailability of raw materials due to federal restriction of resources or prohibition of production or export of raw materials [the list is not final]).
- 2.1.6 **"Intellectual property"** means intellectual property of any kind and all appertaining attendant rights such as patents, design, trademarks, samples, definitions and personal rights as well as rights pertaining to know-how.

3. PRODUCTS

3.1 General

- 3.1.1 Skinrock reserves the right to make changes to products or product specifications as well as product lines and the product assortment at any time without informing the contractual partners beforehand.

3.2 Natural Differences

- 3.2.1 Skinrock products are made of natural raw materials / stone blocks, the appearance, quality and quantity of which may vary according to nature. For this reason it is possible that differences may arise between sample products and the products delivered to contractual partners as well as between different product consignments, specimens and manufacturing series. Differences may occur, in particular with regards to colour, structure and pattern, including repeating a pattern and dimensions.
- 3.2.2 Should a contractual partner wish to request identification of individual consignments or individual specimens of the products (consignment / product uniformity), he must explicitly declare and request identification of this kind in the corresponding order. In such a case, Skinrock has the right to reject such an order if identification is not possible due to the natural differences.

3.3 Personalised Design

- 3.3.1 If the contractual partner orders a special personalised design, he commits to accept a price increase of up to 100% involved with its production. When this kind of personalised design is ordered in small quantities, the contractual partner commits to accept an even higher price increase.

4. OFFERS, ORDER CONTENT AND COMPLETION (CONTRACTS)

4.1 Significance of Marketing Documents / Similar Documents

4.1.1 Marketing documents such as catalogues or similar documentation, where prices and technical descriptions are given, will be drawn up and published exclusively for informational and marketing purposes. They form no basis for any commitment by Skinrock and, do not represent any tenders or quotes in a legal sense. Documents of this kind can be changed at any time by Skinrock without any previous notification of contractual partners.

4.2 Offers

4.2.1 Offers from Skinrock are only valid if these are made in writing. As a rule, their validity is limited to a period of time which is defined in the offer itself or in a corresponding general framework contract. If no time period is given in the offer or framework agreement, an offer from Skinrock will be valid for a period of 10 working days from the date of sending the offer by Skinrock (the postmark or actual time sent by email is decisive). Contractual partners must accept offers from Skinrock in writing. Confirmation given to Skinrock verbally (e.g. by telephone) are only binding to Skinrock after being repeated in writing.

4.3 Orders and Confirmation

4.3.1 Orders from contractual partners, with whom Skinrock has entered into a general framework agreement or another contractual relationship, must be placed on principle in writing (post, email etc.). Orders which are made verbally, (e.g. by telephone) are only binding to Skinrock after being repeated in writing. Orders placed are in general binding for the contractual partners for a time period given in the order or in the framework agreement, but minimum for at least a period of 10 days after receipt of the order by Skinrock.

4.3.2 The subsequent confirmation from Skinrock for the order placed is then binding for the contractual partners.

4.4 Conclusion of the Agreement and its Content

4.4.1 The agreement between Skinrock and its contractual partners, within the context of single orders, only enters into force after a confirmation from Skinrock has been received.

5. PRINCIPLES OF LOYALTY AND NON-COMPETITION CLAUSE

5.1 Principles of Loyalty

5.1.1 The contractual partners have to uphold Skinrock's legitimate interests loyally and in good faith and in particular, to refrain from all statements and actions damaging its reputation or enticement of customers and employees. The general principles of loyalty and in particular, the non-solicitation agreement, continue to be valid even after termination of the contractual relationship.

5.2 Non-competition Clause

5.2.1 In the course of their activities, contractual partners will gain a detailed insight into the clientele and business secrets of Skinrock, which is why the following contractual and post-contractual non-competition clause with contractual penalty is agreed on. During the term of validity of this agreement, the contractual partners will not advertise, offer or sell or directly or indirectly support any third parties in this kind of activity for products which are in direct or indirect competition with the products covered by this present agreement, without having received written permission from Skinrock mentioning exactly the product in question. In addition, they commit not to enter into direct or indirect relations with manufacturers, producers and suppliers of Skinrock and its subsidiaries and not to create any companies which are equivalent or

similar with respect to the products or to those of Skinrock or its subsidiaries without first receiving written permission from Skinrock.

- 5.2.2 In addition they assume the responsibility to ensure that neither their employees or people appointed by, nor any subcontractors (e.g. sub-distribution partners) will violate the non-competition clause. The non-competition clause will continue to be valid for a period of one year after termination of this agreement and applies to the contractual territories of the contractual partners.

6. INFORMATION AND NOTIFICATION

- 6.1.1 Information and notification must always be made in writing to the address given by the parties as relevant (post or email address). The communicating party is responsible for the correct sending and transfer of information and notification. The responsibility for proper organisation of receipt lies with the other contractual partner.

- 6.1.2 Information and notification are considered transferred or made within a time period given in one of these general terms and conditions or in any other agreement, order, confirmation or other document drawn up taking these general terms and conditions into consideration, when such information / notification has arrived with the receiving party, or if it has been sent within the corresponding period of time the postmark (letter) or date of sending (fax or digital message) are decisive.

7. OBLIGATIONS OF THE CONTRACTUAL PARTIES UPON TERMINATION OF THE CONTRACT

7.1 General

- 7.1.1 After receipt of notification from one of the parties about termination of the agreement and after having checked its legality, the parties agree to carry out the following activities: Orders placed with Skinrock by the contractual partner which have been confirmed by Skinrock, but not paid for by the partner before the date of receipt of notification of termination of the agreement, ("**Date of receipt of the notification**") must be paid for by the contractual partner immediately within three working days or they will otherwise be considered to be cancelled. Orders which have not yet been confirmed are considered automatically cancelled and will not be handled further. The contractual partners and any possible sub-distribution partners will immediately return all products held by them on the date of receipt of the notification to Skinrock at their own expense before the end of the contractual cancellation period ("**Date of termination of the contract**"), as long as Skinrock does not provide permission in writing to further selling out of the products.

7.2 Other Obligations of the Contractual Partners and Consequences of Termination of the Contract

- 7.2.1 The contractual partner commits to immediately stop sales and distribution of the products and to return to Skinrock at its own expense and on its own responsibility, all products held by him or any sub-distribution partner. Skinrock commits to reimburse the contractual partner for the value of the products returned to him, within 30 days after receipt of the products under the condition that the products arrive with Skinrock at the given address, undamaged and in the original packaging.
- 7.2.2 All open payment commitments of the contractual partner become due immediately and must be paid completely within 30 working days.
- 7.2.3 The contractual partner no longer considers itself to be a sales and distribution partner of Skinrock and no longer undertakes any activities in this respect; Skinrock will no longer name the contractual partner as official sales and distribution partner of the products as per

agreement. The contractual partner commits to delete any information of any kind relating to the products and customers (including customer lists) from the IT / ERP systems and to remove them definitively after completely fulfilling the contractually defined obligation of notification.

- 7.2.4 The permission, granted by Skinrock to the contractual partner, for use of tradenames, brand names, trademarks and logos as well as any other symbols and descriptions of goods, becomes invalid and the contractual partner must refrain from exercising any intellectual property rights. All sales and distribution documents need to be returned to Skinrock at its own expense. Furthermore, the contractual partner transfers any intellectual property rights gained by the contractual partner, sub-distribution partners and employees, persons appointed by or subcontractors during the period of validity of this agreement unsolicited to Skinrock (insofar as this is admissible from a legal point of view), in as far as the rights concerned, have not been transferred automatically to Skinrock.

7.3 Consequences of Infringement

- 7.3.1 If the contractual partner does not comply with the foregoing obligations in the event of the termination of this contract, it commits a breach of contract which triggers the contractual penalty.

8. FINAL PROVISIONS

8.1 Supplementation / Modification of the AGB (right to modification)

- 8.1.1 Skinrock reserves the right to supplement, change and where appropriate, to modify the present general terms and conditions (AGB) to correspond to current legal requirements without giving any reasons. In such a case, the updated valid general terms and conditions (AGB) will be available at skinrock.ch where the changes will be mentioned. The current terms and conditions are valid at the time of the conclusion of the contract or the order as published on the website skinrock.ch.

8.2 Severability Clause

- 8.2.1 Should individual clauses of the general terms and conditions (AGB) become partially or completely invalid, this has no effect on the effectiveness of the remaining clauses of the AGB. As replacement for the invalid clause, the corresponding legal provision becomes valid. If individual clauses of the agreement between Skinrock and its contractual partners in each case are or become partially or completely invalid, this has no effect on the other clauses of the corresponding agreement. As replacement for the invalid clause, the corresponding legal provision becomes valid. If an agreement contains loopholes which cannot be covered by the present general terms and conditions (AGB), these must be resolved through a supplementary interpretation of the agreement in such a way that the intended economic purpose is achieved.

8.3 Non-assignment Clause and Exclusion of Settlement

- 8.3.1 The contractual partners of Skinrock are not permitted to assign their rights and obligations to third parties under the general terms and conditions and under the specific contractual relationship. The settlement of claims of the contractual partners against claims from Skinrock is also excluded.