

TERMS AND CONDITIONS

These terms and conditions (hereinafter: "T&C") are applicable BETWEEN Sellita Watch Co S.A, with registered seat in Le Crêt-du-Loche 11, 2301 La Chaux-de-Fonds, registered in the Commercial Register of the Canton of Neuchâtel under the number CHE-105.963.159 (hereinafter: "SELLITA") AND any natural person (working as independent) or legal entity (hereinafter: the "Customer(s)").

1. Scope of application

1.1. The T&C shall apply to performances carried out by SELLITA in favour of the Customer in relation to the production and sale of movements, the sale of spare parts, post-sales service, the overhaul and refurbishment of movements as well as "T2" watchmaking operations (fitting of dials, hands and casing), insofar as the T&C have not been wholly or partly deviated from, amended or supplemented by a written agreement between the parties.

1.2. SELLITA reserves the right to periodically review and, if necessary, adapt the T&C at any time. Amendments to the T&C are communicated to the Customers on SELLITA's official website (www.sellita.ch - hereinafter: the "Website") and come into effect upon publication for all new contractual relationships with the Customers.

1.3. An unconditional acceptance of an order by SELLITA cannot be interpreted as an acceptance of the terms and conditions belonging to the Customer. **The Customer expressly waives the right to assert his own terms and**

conditions in contractual matters.

2. Conclusion of the contract

2.1. Customer's orders must be clear and contain all execution details. The Customer is responsible for the wording and clarity of his orders. The Customer expressly confirms not being a private consumer.

2.2. The information on the Website do not constitute a legal offer.

2.3. A request to obtain a legal offer to enter into a contract is the solicitation by the Client, regardless the form, by which the Client transmits such request to SELLITA (the "Request").

2.4. SELLITA's written response to the Request constitutes a legal offer (the "Offer").

2.5. The contract shall be deemed concluded once SELLITA has sent an order confirmation to the Customer in writing or by the execution of the order by SELLITA, in both cases following the communication made to SELLITA, regardless the form by which the Customer expresses his will to accept the Offer.

2.6. The nature and scope of SELLITA's services are defined by the order confirmation or by the Offer in the absence of an order confirmation.

2.7. Any Customer can read these T&C on the Website. Consequently, any order results in the full and complete adhesion of the Customer, without exception or reserve, to the T&C, even if the

order confirmation does not expressly refer to them. In general, the T&C are again communicated to the Customer during the validation process of each order.

3. Price

3.1. The prices of SELLITA are in Swiss francs.

3.2. **The parties grant SELLITA the right to adjust the price between the conclusion of the contract and the delivery according to the value of SELLITA's work and expenses (e.g. change in purchase prices, currency fluctuations, etc.). The price then applied is the effective price on the day of delivery.**

3.3. The prices indicated are net, ex works, excluding packaging, insurance and applicable value added tax.

4. Delivery times

4.1. The delivery times communicated by SELLITA are non-binding and are indicative in nature. The delivery time starts on the date mentioned in the order confirmation and ends once the ordered goods have left the premises of SELLITA.

4.2. In no case shall the Customer be entitled to damages or to terminate the contract due to a delivery delay.

5. Terms of payment

5.1. The Customer is obliged to make payments in Swiss francs, without any discounts or any other deductions.

5.2. Unless otherwise stipulated in the order confirmation or the invoice, the

amounts invoiced by SELLITA to the Customer are due within 30 days of the invoice date. This is a fixed term of payment, the expiration of which will result in the immediate default of the Customer.

5.3. SELLITA reserves the right to require, in its Offer, from the Customer an advance payment (i.e. the payment of advances before the manufacturing of the products, due at the time of the conclusion of the contract, then the payment of the balance before or after delivery) or guarantees on its receivables. If a Customer is in default of payment for one or more other order(s) or if SELLITA learns that the Customer has difficulties to pay his own debts, SELLITA is entitled to demand full payment of the order before delivery.

5.4. After the expiry of the fixed term of payment provided for in Section 5.2 above, the price shall bear default interest at 5% per annum (i.e. over 360 days) without the need for any notice from SELLITA.

5.5. If, after two reminders following the expiration of the fixed term of payment mentioned in Section 5.2 above, the Customer does not fulfill his obligations of acceptance and/or payment, **SELLITA is entitled to terminate the contract and to keep all paid advances and/or full payments paid by the Customer as well as to freely transfer the products ordered by the Customer to third parties, notwithstanding any potential rights protecting the Customer.** Moreover,

SELLITA reserves its rights to damages. The Section 6.4 below is reserved.

5.6. Payment by set-off as well as the assertion of rights of retention by the Customer are excluded.

6. Reservation of ownership

6.1. The goods delivered to the Customer remain the property of SELLITA until full payment of the price.

6.2. **The Customer authorizes SELLITA to register the reservation of ownership in the official register in accordance with the legal requirements applicable in Switzerland and to undertake all formalities related thereto at the expenses of the Customer.**

6.3. During the period of the reservation of ownership, the Customer shall be liable for the risk of loss, destruction and damage to the delivered goods. The Customer shall maintain the goods in good condition at his own expenses and to insure them against theft, loss, fire, water damage and other risks. The Customer shall also take all other measures to prevent the property rights of SELLITA from being jeopardized.

6.4. In addition to the rights granted to SELLITA in Section 5.5 above, the Customer shall be obliged to return all goods delivered by SELLITA at his own expenses.

6.5. If the goods delivered by SELLITA are mixed with products belonging to the Customer, SELLITA shall become co-owner of the object thus created to the extent of the value of the components belonging to it.

7. Quality

7.1. Only the properties which have been expressly

designated as such in the order confirmation or in the specifications are deemed as guaranteed. SELLITA's goods are manufactured in compliance with the applicable Swiss legislation, to the exclusion of any standards of third countries. Any potential defects resulting from components supplied by the Customer are reserved.

7.2. SELLITA's indications of percentage content or other values specifying the product are to be considered as approximate average values. Deviations which, in spite of all the care devoted to the operation, are inherent in the manufacture of a product and which, in view of the intended use of the product, remain within an acceptable margin of error in each individual case, are expressly reserved.

7.3. SELLITA shall not be liable for the products transformed or modified by the Customer and does not grant any guarantee on these products.

7.4. **SELLITA reserves the right to make changes to its products at any time for the purpose of improvement (of the production, technical improvements, qualitative improvements, etc.). In such cases, the Customer waives the right to require SELLITA to produce old iterations of its products to satisfy his order.**

8. Intellectual Property

8.1. The intangible rights in the goods delivered by SELLITA are the exclusive property of the latter.

8.2. The products are usually labelled with the following signs: producer's

identification sign (i.e. "SIP" of "Swiss made"), product reference, SELLITA's sign and date code. Any modification of these signs by the Customer is forbidden.

8.3. SELLITA reserves the right to claim damages for infringement of its intangible rights.

9. Warranty and liability for defects

9.1. The Customer shall inspect the condition of the goods and report any defects in writing immediately after the delivery, by indicating the exact nature of the defect that is the subject of the complaint. It is the Customer's responsibility to provide proof of defect.

9.2. In case of delivery and/or quantity errors, the Customer shall inform SELLITA in writing within 15 days after the receipt of the goods.

9.3. If the Customer subsequently discovers a defect that cannot be detected during the inspection as described in Section 9.1 above, the Customer shall immediately inform SELLITA in writing. The warranty period provided for in Section 10.2 below is reserved.

9.4. In the absence of compliance with the duties of Sections 9.1 to 9.3 above, the Customer shall be deemed to have accepted the goods as delivered by SELLITA.

9.5. In the event of a proven defect or error in delivery and/or quantity, SELLITA will repair (without excessive expenses) the goods or deliver the missing parts (including exchange of the goods in case of delivery

error). Secondly, SELLITA can decide to exchange the goods in case of a defect. If SELLITA is unable to repair (including without excessive expenses) the goods or to complete the delivery, or renounces from exchanging the goods, the goods in question will be taken back or a price reduction will be granted to the Customer according to his choice.

9.6. Should the Customer decide to opt for a price reduction, he shall be deemed to have accepted the goods as delivered by SELLITA with respect to the defect(s) claimed.

9.7. The goods referred to in Section 9.5 must be returned to the following address, stating the reason for the return:
Sellita Watch Co S.A.
Case postale 1417
Crêt-du-Loche 11
2301 La Chaux-de-Fonds

10. Limitation of warranty and liability

10.1. The warranty provided for in Section 9 only covers goods manufactured by SELLITA. For deliveries of goods which are not manufactured by SELLITA (third party goods), SELLITA shall only assume the warranty within the scope of the obligations of the manufacturer concerned.

10.2. **The warranty period is 1 year** from the delivery of the goods.

10.3. SELLITA is not liable for any costs of assembly or disassembly, nor for any damage resulting directly or indirectly from the delivered products themselves and/or their use.

10.4. **SELLITA's extra-contractual or contractual liability is limited to gross negligence, intentional acts and direct damages. SELLITA's liability for consequential damages and damages of other kind (in particular for loss of profit) as well as for auxiliary persons is completely excluded. In all applicable cases, the amount of damages shall not exceed the value of the order price.**

11. Transport

11.1. SELLITA may, unless otherwise agreed by the parties, determine both the route and the method of shipment of the goods.

11.2. The transport costs are at the expense of the Customer.

11.3. The Customer shall submit claims for damage incurred during transport directly to the commissioned transport company within the special time limit communicated to the Customer to that end.

12. Transfer of enjoyment and risks

12.1. Enjoyment of the goods and the risk attached to them shall pass to the Customer as soon as the goods are handed over by SELLITA to the shipper. If, at the request of the Customer or for reasons for which SELLITA is not liable, the time of shipment is postponed, the risk shall pass to the Customer on the date of shipment originally scheduled. From that moment, the goods are stored at the expense and risk of the Customer.

12.2. The loss of the material shall be borne by the party who supplied it until the risk has passed.

13. Force majeure

13.1. In the event of war, unavoidable operational breakdowns, strikes, lockouts, shortages of energy and/or raw materials, epidemics or pandemics, fire, earthquakes or other natural events, transport disruptions which prevent the business in question from being carried out profitably within a reasonable time, as well as in all other cases of force majeure affecting SELLITA or its suppliers, SELLITA is released from its obligation to deliver for the duration of the hindrance and in the proportion of the effects of the hindrance, without giving rise to a subsequent obligation to deliver, it being specified that SELLITA remains entitled to the right to deliver and the Customer obliged to receive and pay.

13.2. Such events allow SELLITA to terminate the contract in whole or in part, without this termination giving right to damages in favour of the Customer.

14. Data protection

14.1. The personal data provided by the Customer are necessary for the processing of his order and the establishment of invoices.

14.2. This data may be communicated to SELLITA's partners in charge of the execution, processing, management and payment of orders.

14.3. The Customer has a permanent right of access, modification, rectification and opposition with regard to the information concerning him. This right can be exercised by contacting SELLITA in writing

at the address mentioned in Section 9.7 above.

15. Partial nullity

15.1. Should any of the provisions of these T&C be invalidated, the remaining provisions shall remain unaffected.

15.2. The invalidated provision must be replaced with a rule that allows the parties to achieve the intended economic result in an efficient and legally feasible manner.

16. Official language

16.1. These T&C are available in English, German and French. In case of interpretation of these T&C, the French version shall prevail.

17. Applicable law and jurisdiction

17.1. **The legal relationships between SELLITA and its Customers are exclusively subject to Swiss law.**

17.2. **The exclusive place of jurisdiction for all proceedings is Lausanne, Canton of Vaud, Switzerland, subject to an appeal to the Swiss Federal Court. SELLITA reserves the right to file claims against the Customer in the jurisdiction of his seat or domicile.**

17.3. **For all intents and purposes, the parties expressly waive the application of the United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods (CISG).**

Valid as of 15.11.2022