

# **G E N E R A L**

## **Terms and Conditions of Sales**

## 1. Introduction

These General Sales Terms and Conditions ("Terms") apply to sales of Products and Services by Hamberger Swiss Pyrotechnics AG (HSP) part of the SSE Group companies ("SSE") active in the Civil Explosive business to the buyers/customers ("Buyer"). By ordering or purchasing Products or Services from HSP / SSE, the Buyer agrees to be bound by these Terms. HSP / SSE's Terms and Conditions of Sales shall apply exclusively; terms and conditions that conflict with or deviate shall not apply unless we have expressly agreed to their application in writing. HSP / SSE's Terms and Conditions of Sales shall also apply if we carry out deliveries to you in the knowledge of terms and conditions that conflict with or deviate from HSP / SSE's Terms and Conditions of Sales. All agreements made between the Parties in connection with entering and performing a contractual relationship are or will be recorded in writing. Collateral agreements and amendments to these agreements must also be made in writing. HSP / SSE's Terms and Conditions of Sales shall only apply to entrepreneurs, legal entities under public law or special funds under public law. HSP / SSE's Terms and Conditions of Sales shall also apply to all future transactions with you, unless expressly agreed otherwise in writing.

## 2. Definitions:

**Buyer:** The Party to the Agreement who confirms and accepts these Terms of sale for Products and/or Services.

**Confidential information:** all information provided by HSP / SSE that is not publicly available.

**Parties:** HSP / SSE and Buyer, jointly.

**Party:** Each of HSP / SSE or Buyer, individually.

**Products:** All goods described in a Purchase Order that Buyer purchases under these Terms.

**Purchase Order:** A written order or request of the Buyer to HSP / SSE for the purchase of Products and/or Services.

**Services:** Any and all works and/or services described in a Purchase Order that HSP / SSE contracts under these Terms.

**HSP / SSE:** Companies of the HSP / SSE Group, belonging, directly or indirectly, to HSP / SSE Holding SA

**Terms:** These present general terms & conditions of sale.

### **3. Confidentiality**

The Buyer agrees to maintain the confidentiality and ensure security of all information provided by HSP / SSE that is not publicly available ("Confidential Information"). This includes, but is not limited to, technical and commercial data, pricing details, specifications, drawings, prototypes, samples, analysis, research, processes, software, ideas, know-how, business information and any other information relating to the business or affairs of HSP / SSE whether it be marked as confidential, or not. If no order is placed with HSP / SSE, the customer must return all such documents to HSP / SSE. All such execution documents remain the intellectual property of HSP / SSE and are subject to the relevant statutory provisions regarding reproduction, imitation, competition, etc. Confidential Information shall not be disclosed to any third parties without the prior written consent of HSP / SSE and shall only be used for the purpose of fulfilling obligations or exercising rights under these Terms. The obligations of confidentiality do not apply to information which

- (a) becomes publicly known through no fault of the Buyer;
- (b) is received from a third party without a duty of confidentiality;
- (c) is independently developed by the Buyer and does not refer or include any HSP / SSE specific information ; or
- (d) is required to be disclosed by law or regulatory authority, provided that HSP / SSE is given prompt notice of such requirement.

In case of violating the confidentiality obligation HSP / SSE is entitled to claim compensation.

### **4. Purchase Orders and Acceptance**

All Purchase Orders for Products / Services placed are subject to acceptance by HSP / SSE. HSP / SSE confirms in writing acceptance or rejection of a Purchase Order with on country level define maximum timeframe of business days between Order and Confirmation or Rejection. HSP / SSE reserves the right to reject any Purchase Order without the need to supply any reason. Acceptance of the Purchase Order will not take place unless and until the Buyer receives a written confirmation of the order from HSP / SSE.

## **5. Pricing and Payment**

Prices of the Products and Services shall be as specified by HSP / SSE at the time of the Purchase Order and may be subject to change without notice. Payment terms are in general 30 days or agreed between the Parties on individual basis. These agreements have to be done in written form prior to any purchase order. Unlike the Buyer, HSP / SSE is entitled to set-off any of its receivables towards the Buyer against any of the Buyer's receivables towards HSP / SSE, regardless of the maturity and currency of such receivables and the legal relationship from which they arose (e.g. the Buyer cannot make payment for the Products and Services by means of a unilateral set-off of a receivable, even if the receivable is due to the HSP / SSE).

HSP / SSE reserves the right to reevaluate and adjust the prices in response to significant changes in raw material costs, labour, manufacturing, or other operational or any other non-operational costs that materially affect the cost of supplying the Products or providing Services.

Any such price adjustment will be communicated to the Buyer in writing, at least five business days before the new pricing takes effect. The Buyer has the right to cancel any outstanding Purchase Orders affected by the price adjustment if the Products have not yet been produced. HSP / SSE can suspend deliveries or refuse to accept new Purchase Orders until the Parties conclude an agreement concerning prices change. The Products shall remain the property of HSP / SSE until paid for in full, to the extent that such retention of title is valid under the relevant jurisdiction.

Thereafter, you will be in default even without any further request for payment. For the period of default, default interest in the amount of the current applicable local interest rate level plus eight percent (8%) shall be due until the outstanding amount has been paid in full. A prior reminder by HSP / SSE is not required. HSP / SSE reserves the right to claim any further damages from the customer. Our delivery obligations are conditional on the punctual fulfilment of your payment obligations. If you are in default, we have the right, among other things, to make further deliveries dependent on the full or partial payment of previous invoices, to shorten payment terms, to demand advance payment or to suspend deliveries in whole or in part.

## **6. Delivery and Product Integrity**

HSP / SSE will make reasonable efforts to deliver the products within the time frames provided at the time of the Purchase Order, but delivery times are not guaranteed. The Buyer will be responsible for all shipping and handling charges unless otherwise specified by HSP / SSE.

The start of the delivery period stated by us presupposes that all technical questions have been clarified. Compliance with HSP / SSE's delivery obligations also presupposes the timely and proper fulfilment of the Buyer's obligations. HSP / SSE reserves the right to plead non-performance of the contract. Furthermore, HSP / SSE is entitled to refuse delivery until the agreed counter-performance, or the provision of corresponding securities has been effected if the buyer's financial situation deteriorates after conclusion of the contract or if this circumstance already existed at the time of conclusion of the contract but only becomes known to HSP / SSE subsequently and HSP / SSE's claim to the counter-performance is thereby jeopardized. HSP / SSE is entitled to make partial deliveries. In the event of HSP / SSE's delay in delivery, buyer shall only be entitled to withdraw from the contract if (i) the buyer has set HSP / SSE a reasonable period of grace, combined with the express declaration that the buyer will refuse to accept HSP / SSE's performance after expiry of this period and (ii) HSP / SSE does not effect performance within the period of grace set. The right of withdrawal is limited to the unfulfilled part of the contract unless the remaining part of the performance is objectively unusable. In the event of default of acceptance or other culpable breach of the buyer's obligations to cooperate, HSP / SSE shall be entitled to compensation for the resulting damage, including any additional expenses. HSP / SSE reserves the right to assert further claims. In this case, the risk of accidental loss or accidental deterioration of the goods shall pass to the buyer at the time of default of acceptance or other breach of duties to cooperate.

All transport vehicles shall be professionally operated and comply with all laws and other legal requirements and/or authorization. Hazardous Products shall be unloaded by the recipient of the Products. These operations shall be carried out in strict compliance with current applicable local regulations according to the hazardous or non-hazardous nature of the Products and/or Services.

## **7. Performance Standard and Warranty.**

HSP / SSE guarantees that its Services will comply with legal standards and professional care, and that the Products supplied will comply with the technical specifications provided. HSP / SSE's liability is limited to these warranties, without any further warranties concerning the merchantability of the Products or their suitability for a specific application, either alone or in combination with other products. This warranty does not cover any damage or defects resulting from improper use, accidents, modifications, or unauthorized repairs. HSP / SSE is in

general not liable for any consequential losses and is not liable for consequential property losses.

## **8. Returns, Refunds, and Exchanges.**

HSP / SSE's policy for returns, refunds, and exchanges will be as stated at the time of purchase or as otherwise provided in writing by HSP / SSE. Generally, returns and exchanges will be only accepted if conditions are fixed in individual written agreements and Products are in their original condition and packaging. Return of Products after shelf-life has been reached will not be accepted, unless specifically agreed by HSP / SSE. Extension rules must comply with the law.

## **9. Liability.**

HSP / SSE's liability for any claims related to the Products or Services, whether for breach of contract, warranty, negligence, or otherwise, shall be limited to the purchase price. HSP / SSE shall not be liable for any indirect, special, incidental, or consequential damages arising out of or in connection with the Products or their use.

## **10. Compensation for damages.**

With the exception of cardinal or essential contractual obligations, HSP / SSE's liability for damages for breach of duty against HSP / SSE and against HSP / SSE's vicarious agents is limited to cases of intent and gross negligence. In the event of liability for damages, this shall be limited to the foreseeable, typically occurring damage, unless the liability is based on an intentional breach of duty. The parties agree that lost profits or consequential damages are not foreseeable, typically occurring damages in this sense. Insofar as liability is not based on an intentional breach of duty, compensation for consequential damages and lost profits is therefore excluded. The aforementioned limitations of liability shall not apply if HSP / SSE can be held liable for culpable injury to life, limb or health or in accordance with the principles of product liability. Unless otherwise expressly stipulated above, any further liability is excluded to the extent permitted by law.

## **11. Quality Assurance.**

HSP / SSE commits to providing high-quality Products that meet or exceed industry standards and specifications as described at the time of sale. The Buyer should inspect the Products upon receipt and notify HSP / SSE within 10 business days after delivery if the Products do not conform to the stated quality specifications. Failure to notify HSP / SSE within this period constitutes acceptance of the products as is. To maintain the quality and validity of Products, the Buyer must store them according to the specific conditions provided by HSP / SSE, including but not limited to temperature, humidity, and duration of use considerations. Failure to maintain these conditions may affect product warranties and performance guarantees. In the event of a valid quality claim, HSP / SSE's obligations are limited to, at HSP / SSE's discretion, replacing the non-conforming Products or refunding the purchase price paid for the non-conforming Products.

## **12. Force Majeure.**

Force Majeure means any of the following: (1) an act of God; (2) lightning, storm, flood, fire, earthquake, volcano, eruption, explosion, cyclone, tidal wave, landslide; (3) strikes, lockouts, industrial or labour disputes or difficulties; (4) war whether declared or undeclared, revolution or act of public enemies, revolution or act of public enemies, events related to hostilities or other operations of the armed forces, e.g. wars, invasions, terrorist acts, the effects of military actions, economic sanctions imposed by individual countries or international organizations, action of the state power that are characterized by the exclusion of the possibility of an individual imposing them, e.g. martial law, border blockades, import and export ban, unusual behaviour of the community, e.g. general strikes, nationwide demonstrations as well as events of an economic nature e.g. extraordinary increases of the process of raw—materials fuels and other goods, excessive fluctuations of exchange rates, shortages of individual materials and products in the markets, sabotage, riots, insurrections, civil commotion or epidemics pandemics and quarantines; and (5) power or water shortages (6) roadside checks on means of transport. If a Party is prevented in whole or in part from carrying out its obligations as a result of Force Majeure, it must immediately notify the other Party, specifying: (a) the Force Majeure; (b) the obligations it cannot perform as a result; and (c) the estimated duration the Force Majeure will continue. Following this notice, and while the Force Majeure continues, the obligations that cannot be performed due to the Force Majeure will be suspended. The Party prevented from carrying out its obligations due to Force Majeure must resume performance of its obligations as soon as reasonably possible and take all reasonable action to mitigate any loss suffered by the other Party. Each party is obliged to notify the other party of the cessation of the force majeure up to 10 days after the fact.



### **13. Safety, Health, and Environmental (SHE) Standards.**

HSP / SSE ensures that all Products comply with all local applicable health and safety standards and regulations at the time of sale. Safety information, where applicable, will be provided with the Products. The Buyer is responsible for ensuring that all users/end-buyers of the Products are made aware of this information and that the Products are used safely and correctly and comply to local laws and regulations.

The Buyer agrees to comply with all European and HSP / SSE-country specific health and safety laws and regulations applicable to the possession, use, and resale (if permitted) of the Products. HSP / SSE shall not be liable for any injury or damage caused by non-compliance with these safety instructions or misuse of the Products.

HSP / SSE is also committed to environmental responsibility and ensures that the production, packaging, and distribution of the Products comply with applicable environmental laws and regulations. The Buyer agrees to adhere to all relevant environmental laws and regulations in the use, storage, and disposal of the Products and packaging, ensuring that any impact on the environment is minimized.

The Buyer shall ensure that ensecure storage facilities are in place post-transfer of custody, with appropriate measures to restrict unauthorized access; (a) Products shall only be used for their intended purpose as specified in the contract or destroyed as agreed between the Buyer and HSP / SSE in writing or returned to HSP / SSE for destruction in accordance with the provision of the contract; (b) Any security breaches, Product losses, or regulatory concerns are reported promptly to HSP / SSE;

(c) All class 1 explosives and other sensitive Products are stored in compliance with the applicable safety regulations and guidelines. (d) Thorough verification is conducted for all customers and personnel who have access to Products, to ensure that only those who are legally permitted and not subject to any sanctions have such access in accordance with relevant laws.

### **14. Labour Standards.**

The Buyer confirms that it (a) Conducts due diligence in its labour practices to align with the international labour organization's forced labour and slavery conventions; (b) Has in place all required processes, procedures, and compliance systems to guarantee adherence to these conventions, as specified in this and the following clause. (c) Commits to ongoing monitoring and due process to ensure and validate ongoing compliance with the aforementioned conventions.

### **15. Anti-Corruption Practices.**

Both HSP / SSE and the Buyer commit to conducting all business transactions in a lawful and ethical manner. Both Parties agree to comply with all applicable anti-corruption laws and regulations, including but not limited to the main EU's anti-corruption legislation, and any other local anti-corruption and bribery laws applicable to their operations.

HSP / SSE commits not to engage in any form of corruption, bribery, kickback, or illicit payment or benefit to secure any advantage in its dealings with the Buyer or any third parties. The Buyer agrees not to offer, promise, give, authorize, solicit, or accept any undue pecuniary or other advantage of any kind for the purpose of inducing or rewarding any preferential treatment in connection with the purchase or sale of the Products or any other business transactions involving HSP / SSE.

The Buyer must immediately report to HSP / SSE any request or demand for any undue financial or other advantage of any kind received by the Buyer in connection with the performance of these Terms. Any breach of this anti-corruption clause shall be deemed a material breach of these Terms and grounds for immediate termination of any contracts and Purchase Orders, in addition to any legal consequences that may arise.

This anti-corruption commitment shall apply to all employees, agents, subcontractors, or any other parties acting on behalf of the Buyer or HSP / SSE in connection with the supply, delivery, and payment of the Products or Services.

### **16. Intellectual Property.**

All intellectual property rights in the Products and Services, including any designs, trademarks, and patents, are the property of HSP / SSE or its licensors. The Buyer agrees not to infringe upon these rights.

### **17. Record Keeping and Audits.**

The Buyer shall keep accurate and detailed records in connection with its business transactions with HSP / SSE and shall allow HSP / SSE, upon request, to audit, review and inspect any relevant documents, commercial/financial data in terms of volume, turnover and prices in HSP / SSE/Buyer transactions, properties or locations under the control of the Buyer to verify compliance with the agreed Terms, excluding restrictions under competition or anti-trust law.

### **18. Amendment.**

HSP / SSE reserves the right to amend these Terms at any time. Such amendments will be effective upon posting on HSP / SSE's website or notification to the Buyer.

**19. Contact Information.**

For any inquiries or notifications under these Terms, please contact HSP / SSE at:

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