

General terms and conditions of business (GTC)

March 2021, Version 1.0

Cuboro AG
Haslerstrasse 30
3008 Bern
Switzerland

(Hereinafter “Cuboro”)

Contents

1. SCOPE 2

2. PRINCIPLES OF SERVICE DELIVERY 2

3. CONCLUSION OF CONTRACT 2

4. SPECIFIC CONTRACT PERFORMANCE 3

5. WARRANTY 3

6. PAYMENT TERMS..... 3

7. RIGHTS AND OBLIGATIONS OF THE CUSTOMER 4

8. LIABILITY..... 4

9. INTELLECTUAL PROPERTY RIGHTS 5

10. LEGAL GUARANTEE 6

11. CONFIDENTIALITY AND DATA PROTECTION 6

12. FINAL PROVISIONS..... 6



1. SCOPE

1.1 What do these general terms and conditions of business govern?

These general terms and conditions of business (hereinafter: "GTC") apply to all contractual services of Cuboro related to the sale of Cuboro products (hereinafter: "contract goods" or "goods") to toy retailers (hereinafter: "customer") in commercial transactions.

The GTC govern the rights and obligations of the parties.

1.2 Do other conditions also apply?

Individual agreements between Cuboro and the customer made in individual cases and deviating from these GTC shall take precedence over these GTC. Such individual agreements must be made in writing.

General terms and conditions of business or other conditions of the customer are expressly cancelled.

1.3 How long are these GTC valid?

Unless otherwise agreed, these GTC shall apply until a new version is submitted. In particular, they shall apply to all future orders placed by the customer, without any need to be referred to again in individual cases.

2. PRINCIPLES OF SERVICE DELIVERY

2.1 How does Cuboro provide the contractual service?

Cuboro usually provides the contractual services in person or through its employees. Exceptionally, Cuboro may engage third parties for performance (so-called "vicarious agents"). Prior information to the customer about the addition of third parties is not given.

2.2 Where does Cuboro provide the contractual service?

In the case of goods orders, the place of performance shall be the place where Cuboro provides the contractual goods for dispatch to the customer.

In the case of other contractual services, the place of performance shall be the registered office of Cuboro.

2.3 When does Cuboro provide the contractual service?

A delivery of goods shall be deemed to have taken place at the time when Cuboro hands over the contractual goods to the customer or its agent for dispatch.

Other contractual services shall be deemed to have been rendered at the time when they are performed by Cuboro or, in the case of services requiring acceptance, if they have been accepted by the customer.

2.4 Are the deadlines agreed binding?

The dates agreed by the parties are in principle non-binding. Cuboro will endeavour to meet non-binding deadlines. Binding deadlines are to be described by the parties in writing as such.

2.5 What happens if Cuboro experiences a delay?

In the event of any delay, Cuboro will inform the customer of the delay and its estimated duration. Cuboro has the right to provide the service due within a reasonable grace period.

If Cuboro is affected by an event of force majeure (see section 8.5), its obligation to provide services is suspended for the duration of the event.

3. CONCLUSION OF CONTRACT

3.1 How does the contract come about?

The parties conclude an independent sales contract for each delivery of goods. The contract is concluded by written confirmation of Cuboro or by mutual signature of a purchase contract. The dispatch of a delivery note or invoice by Cuboro to the customer shall also be deemed to be a written confirmation.

Cuboro can conclude an exclusive distribution agreement with selected customers, which governs further rights and obligations of the parties.

3.2 Are Cuboro offers, order sheets or price lists binding?

Offers, order sheets or price lists issued by Cuboro are not binding. The sending of such documents

is merely an invitation to the customer to submit an offer and not an offer by Cuboro.

Cuboro may reject orders without giving reasons.

4. SPECIFIC CONTRACT PERFORMANCE

4.1 Where is the specific contractual service organised?

Cuboro shall provide the customer with the contractual service specified in the written confirmation or in a contract.

4.2 What contractual services does Cuboro provide for goods deliveries?

Cuboro's contractual service includes the provision of the goods for dispatch.

4.3 Who bears the risk in the event of loss of the goods?

The risk (risk of performance and price) of the loss and deterioration of the goods transfers to the customer at the time when the goods are made available for dispatch to the customer.

However, the risk transfer to the customer at the latest upon leaving a building of Cuboro or a supplier of Cuboro (e.g. warehouse, factory building, etc.). Persons commissioned by Cuboro for the transport of goods (forwarding agents, freight carriers, etc.) are not considered suppliers.

Cuboro shall not be obliged to deliver the goods in the event of accidental destruction between the withdrawal of the contractual goods and the provision for dispatch.

4.4 Who bears any transport or insurance costs?

Additional services such as transport or any insurance are not included in the price and are to be borne by the customer.

5. WARRANTY

5.1 What is the Cuboro warranty?

Cuboro guarantees that the sales products will be handed over free of defects in quality and title. For material defects, the statements in section 5.2 and following shall apply. For defects in title, please refer to section 10.1 and following below.

5.2 When should defects be reported?

Any defects must be reported to Cuboro immediately, at the latest within seven (7) days of receipt of the goods, in writing or by email.

Hidden defects must be reported to Cuboro in writing or by email immediately after their discovery, at the latest within three (3) days. The warranty for hidden defects is excluded after the expiry of six (6) months from receipt.

The customer is responsible for proving that the goods were defective at the time of receipt of the goods.

5.3 What are the customer's defect-related rights?

If the customer asserts justified warranty claims, Cuboro can either refund the purchase price in whole or in part or deliver replacement goods at its option.

Further claims due to defective delivery, in particular claims for damages due to consequential damage caused by defects, lost profits or other financial losses of the customer, are excluded to the extent permitted by law (see section 8.2).

5.4 When is the warranty additionally excluded?

Cuboro shall not be liable for defects which arise after delivery due to failure to observe the operating or maintenance instructions of Cuboro for the delivered goods.

6. PAYMENT TERMS

6.1 In what currency are the goods charged?

The currency indicated on the order form or on the price list shall apply.

6.2 Is VAT included in the price?

No, all prices are exclusive of VAT.

6.3 How can the goods be paid for?

The customer can pay the purchase price in advance or on account.

If the goods are shipped outside Switzerland and the EU, advance payment is mandatory.

In the case of advance payments, the goods are only sent when the entire purchase price has been paid.

6.4 What payment periods does the customer have to observe?

In case of payment on account, the purchase price must be paid within 30 days of receipt of the invoice.

If payment is not made within 30 days of the conclusion of the contract with the agreed advance payment, Cuboro may withdraw from the contract.

6.5 What happens in case of late payment?

In the event of default in payment, Cuboro is entitled to charge 5% interest on arrears and reminder fees without providing a reminder of this.

Cuboro may appoint third parties for the collection of due claims. The costs incurred by the commissioning of a third party are passed on to the customer and are to be paid by the customer.

6.6 Price changes

The prices of the contractual products are subject to change at any time. The customer is not entitled to a certain price, which is based for example on previous orders.

7. RIGHTS AND OBLIGATIONS OF THE CUSTOMER

7.1 Can the customer sell the goods to other distributors?

The sale of the goods by the customer to third parties for resale by this third party (intermediate trade) is prohibited. Exceptions require the express written consent of Cuboro.

Intermediaries may not supply third parties who do not comply with the other obligations specified in section 7.

7.2 Can the customer sell the goods abroad?

The export of the goods to countries outside the customer's business location is only permitted if Cuboro has not concluded an exclusivity agreement in these countries. A list of such countries can be found in the distributor section at cuboro.ch. The customer is not entitled to an exclusive territory assignment.

7.3 Can the customer sell the goods in online shops?

Sales via online shops are generally permitted. However, distribution via online shops that offer

discriminatory, violent, political or religious extremist offers or content is prohibited.

The online shop may not be aimed at end users in countries in which Cuboro has concluded exclusivity agreements (see section 7.2).

7.4 What obligations does the customer have to observe when selling the goods to the end consumer?

The use of price robots, random generators, other algorithms for pricing and the advertising of decoy offers is prohibited.

The customer shall take care to comply with the Principles of Collaboration of Cuboro in the distribution of the goods, which can be viewed in the dealer area (cuboro.ch).

7.5 Can the customer return goods to Cuboro?

In case of incorrect delivery, the product concerned can be returned to Cuboro within ten (10) days. Cuboro will deliver the ordered goods within a reasonable period of time. The payment obligations of the customer remain unaffected.

The product concerned must be returned in full and undamaged. Opened, soiled or used products will not be taken back by Cuboro and returned to the customer at the expense of said customer. Returns for another reason are excluded; cases remain reserved according to section 5.3

7.6 How does the customer need to interact with the end user?

The customer agrees to offer the end user a functioning customer service.

The customer ensures that the end user is informed in detail about the goods and their origin.

7.7 What information needs to be shared with Cuboro?

The customer agrees to immediately return to Cuboro all information relating to the distribution of the goods upon request of Cuboro.

8. LIABILITY

8.1 To what extent is the customer liable?

The customer is liable for all damages that Cuboro has incurred as a result of a breach of contract for which the former is responsible.

8.2 To what extent is Cuboro liable?

Liability for defects in quality and title is finally regulated in section 5.2 and following and section 10.1 and following. Liability for all other damages is excluded to the extent permitted by law.

If no legal or contractually agreed exclusion of liability applies, Cuboro is only liable to the extent that the event is covered by its insurance (in principle and in terms of value).

8.3 Is Cuboro liable for its vicarious agents?

No. Liability for vicarious agents is excluded.

8.4 In which cases is Cuboro not liable for any damage?

Cuboro shall not be liable (even in the event of insurance coverage) for any damage because:

- a) the customer or their assistants perceive co-operations as defective or delayed;
- b) the customer or their assistants violate contractual obligations;
- c) an event of force majeure will make the performance of the contract impossible or delayed.

8.5 What are events of force majeure?

Acts of God shall be deemed to include events such as natural events, accidents, significant operational disruptions, breakdown of telecommunications equipment and networks, mobilisation, war, riots, labour conflicts, epidemics and pandemics as well as official measures.

9. INTELLECTUAL PROPERTY RIGHTS

9.1 What happens to any Cuboro intellectual property rights?

All intellectual property rights associated with the production and distribution, such as trademark, copyright or patent rights, remain with Cuboro.

All business and technical information provided by the customer about Cuboro, the toys and other products manufactured by the customer, and the processes used, is the sole property of Cuboro. They constitute trade secrets of Cuboro and must be kept secret (see section 11.1).

Such information may not be passed on to third parties or made available to third parties without the consent of Cuboro, nor may it be used by the customer themselves for their own or third-party purposes.

9.2 How can the customer use Cuboro's trademark rights?

Cuboro grants the customer a non-exclusive, revocable at any time, usage right of their trademark rights, provided that the use serves the resale to the end consumer (see section 9.3).

The granting of sub-licences by the customer is prohibited. In particular, the customer is not authorised to take legal action against the trademarks of Cuboro or to register other trademarks that are related to Cuboro.

The right of use is limited to use within the country in which the customer has its registered office. The right of use shall automatically expire as soon as the customer no longer sells toys or other Cuboro products to end consumers. Cuboro may restrict or revoke the right of use at any time without giving reasons.

For control and quality assurance purposes, the customer must fully inform Cuboro on request of the manner in which the trademark is used.

9.3 When is the trademark used for resale to end consumers?

The use of the trademark is intended for resale of Cuboro products to the end consumer in the following cases (final list):

- a) When the products are sold in the customer's shop premises, for example by placing or hanging banners, posters or similar;
- b) For offers on online shops;
- c) When sending newsletters;
- d) When the products are priced on the customer's website or in catalogues.

The express consent of Cuboro is required for further use.

9.4 Who bears the costs for trademark use?

The costs for the use of the trademark rights shall be borne in full by the customer.

9.5 What happens if a third party violates Cuboro's intellectual property rights?

Cuboro alone is authorised to defend trademark rights. The customer agrees to immediately notify Cuboro of any infringement of its intellectual property rights and to provide reasonable and acceptable support to Cuboro.

10. LEGAL GUARANTEE

10.1 How does Cuboro guarantee the existence of its trademark rights?

Cuboro is not liable for the existence or maintenance of any trademark rights and does not guarantee the freedom of the trademark from third-party rights. Cuboro has no knowledge of any prior third-party rights to its trademarks.

10.2 What happens if one of the parties violates the rights of third parties?

The parties shall immediately inform each other in writing of any claims made by the representative. The customer will authorise Cuboro to conduct defence, including settlement, if requested by Cuboro. The customer shall provide reasonable and acceptable support to Cuboro. A further legal guarantee of Cuboro towards the customer is excluded. Cuboro is not obligated to lead the defence.

If the customer causes damages in the context of the use of the trademark rights in a negligent or deliberate manner, which lead to the aforementioned third-party claims, the customer shall indemnify Cuboro in full.

10.3 What can Cuboro do if they are faced with claims from third parties?

If Cuboro is facing a patent infringement lawsuit and Cuboro or the customer is involved in the procedure, Cuboro may:

- a) modify the subject matter of the contract in such a way that no property rights are violated any more;
- b) give the customer the right to sell the item;
- c) replace the defective item of the contract with an equivalent solution;
- d) Take back the item of the contract and refund the fee paid to the customer taking into account a reasonable contribution to the use.

11. CONFIDENTIALITY AND DATA PROTECTION

11.1 What measures do the parties take to maintain confidentiality?

Both parties and their vicarious agents mutually agree to maintain confidentiality with respect to documents and information that are not generally known, which relate to the business sphere of the other party and become accessible to them during the preparation and performance of the contract.

This obligation shall remain in force, as long as there is a legitimate interest in it, even after the termination of the contractual relationship.

11.2 How does Cuboro manage data protection?

The customer is aware that the conclusion and performance of this contract can lead to the processing of personal data about it, its employees, auxiliary persons and suppliers. Cuboro may use such data for the purposes of this business relationship and may also disclose it to third parties for this purpose.

Cuboro is also entitled to use the data to inform the customer about offers, events and news or to carry out other advertising measures.

Cuboro will take appropriate technical and organisational measures to ensure data protection. The customer is obliged to comply with the provisions of data protection.

12. FINAL PROVISIONS

12.1 How does communication between the parties take place?

Notices regarding the exercise of rights and obligations arising from the contractual relationship shall be sent in writing to the other party.

12.2 Which language version is decisive if there is any ambiguity?

If documents are prepared in different languages, the German version is decisive if there is any doubt.

12.3 Can the parties transfer their rights and obligations under the contract to third parties?

Cuboro may transfer the contractual relationship to a third party to ensure the performance of the

contract. If the transfer is for other reasons, Cuboro will request the customer's prior consent.

The transfer of individual rights and obligations from the contractual relationship or the same by the customer to a third party requires the prior written consent of Cuboro to be valid.

12.4 Under what circumstances may Cuboro modify the GTC?

Cuboro is entitled to modify these GTC at any time. The changes will be notified to the customer in writing. They shall be deemed approved if the customer does not object in writing within four (4) weeks of notification of the change.

12.5 How do contractual changes between the parties take place?

Changes and additions to this contract require the written form to be effective. As a rule, changes are regulated in a written contract supplement. This formal requirement can only be waived in writing.

12.6 What happens if a contract clause is invalid?

Should individual provisions of these GTC prove to be void or ineffective, the overall validity shall not be affected. The parties shall adapt the provisions concerned in such a way that the intended purpose of the void or ineffective part is achieved as far as possible.

12.7 Which law and jurisdiction apply in the event of a dispute?

The contractual relationship between Cuboro and the customer shall be governed exclusively by Swiss law, to the exclusion of the Vienna Convention on contracts for the International Sale of goods and the conflict of laws of the IPRG.

The exclusive place of jurisdiction for all disputes between Cuboro and the customer arising from the business relationship of the parties is Bern (Switzerland).