

PKF Zurich's General Terms and Conditions of Business

1. Scope

- 1.1. These general terms & conditions ("GTC") shall apply for all current and future services that PKF Consulting AG, PKF Wirtschaftsprüfung AG, Pannell Kerr Forster AG or Dr. W. Meili + Partner AG ("PKF Zurich") offer to their Clients (Principals).
- 1.2. The written engagement letter from PKF to Client and these GTC form the contractual basis for PKF Zurich's performance of services for the Client. If, exceptionally, no written engagement letter is made (including by email), these GTC shall supplement the contract that has been concluded orally or implicitly.
- 1.3. In the engagement letter, PKF Zurich may include provisions that deviate from these GTC, the former taking precedence over the latter in such cases.
- 1.4. The application of Client's general terms & conditions, purchase conditions or other conditions is in any event expressly excluded, even if Client makes reference to such conditions in its correspondence.

2. Basis of the business relationships

- 2.1. The services to be performed by PKF Zurich in the individual case and agreed in the engagement letter form the contractual object. The contractual relationship is in effect upon delivery of the engagement letter or, exceptionally, if no written engagement letter is prepared, at the latest when the first perceptible service is performed for Client by PKF Zurich. Any previous offers from PKF Zurich are not binding and shall only become legally binding via the engagement letter. Client must immediately check the engagement letter upon receipt and immediately communicate any objections to PKF Zurich in writing. Otherwise, the engagement letter is considered approved.
- 2.2. In connection with the performance of the service, PKF Zurich can guarantee only diligent action, but not a specific outcome and in particular, does not warrant or guarantee the occurrence of specific business results. For these reasons, regardless of whether specific work results are handed over, PKF Zurich cannot issue binding declarations in the form of expectations, projections or recommendations with regard to the future occurrence of specific results or consequences, either. This shall also apply if PKF Zurich advises Client on a permanent basis.
- 2.3. PKF Zurich has the authority, on Client's account, to take all measures required for the diligent performance of the service. In particular, PKF Zurich is authorised to obtain information from banks and banking institutions, tax authorities, social insurance institutes, insurance companies, debt enforcement and bankruptcy agencies, trade registers and the like on Client's account. Within the framework of a general duty of care and in connection with the orders issued to it, PKF Zurich is further entitled to carry out on Client's account research, analyses and other work that it considers necessary in good faith for prudent performance of the service. PKF Zurich shall be given a reasonable processing time for performance of the service. Unless deadlines for PKF Zurich have been explicitly agreed as binding, they are considered unbinding targets. Client shall not hold PKF Zurich liable for any failure to meet the target. Binding compliance with deadlines is contingent upon Client sending all Client documents and information within the meaning of clause 3.1, together with all instructions, to PKF Zurich as early and as completely as possible. As part of this process, Client must take into account the fact that PKF Zurich requires a reasonable amount of processing time. PKF Zurich can assume no liability for failure to meet deadlines if such cooperation obligation is violated. This shall apply in particular for the failure to meet legal deadlines in matters related to tax law or other matters. Expert opinions, positions, presentations, reports, analyses, recommendations and the like ("Work Results") only become binding within the meaning of clause 2.2 with a legally valid signature. If the work results are sent by email, they are only binding if marked as "final", "definitive" or the like, or if their binding nature is unambiguously apparent from the circumstances. Any interim results for which the draft character is stated or apparent from the circumstances may differ significantly from the final work results and are therefore not binding. PKF Zurich can make use of suitable third parties for performance of the service; these shall also be subject to a non-disclosure obligation in accordance with clause 6.

3. Client cooperation

- 3.1. All documents and information from within Client's sphere that are required for orderly performance of the service ("Client Documents and Information") must be sent to PKF Zurich automatically and at an early stage. Necessary instructions to PKF Zurich must also be issued in a timely fashion.
- 3.2. Client confirms that all of Client's documents and information are complete and correct. PKF Zurich is not obligated to check Client's documents and information for completeness and accuracy, unless this was expressly agreed in advance in writing. If Client's documents and information and/or instructions are contradictory or unclear, PKF Zurich is entitled but not obligated to postpone performance of the service until clarification is received from Client.
- 3.3. Client shall inform PKF Zurich in a timely fashion and on an ongoing basis of all business incidents, procedures and circumstances of which PKF Zurich needs to be aware for performance of the service.
- 3.4. In any event, Client shall automatically and truthfully disclose the identity of the beneficial owners of transactions, provided such transactions fall within the scope of the performance of the service by PKF Zurich.

4. Use of electronic solutions

- 4.1. For contract formation, performance of the service and communication with Client, PKF Zurich may use electronic solutions (email, communications platforms and services, cloud services and the like), which it may operate itself or obtain from a third party. Client shall bear the costs arising from the use of these solutions that are directly attributable to Client.
- 4.2. During electronic processing and transfer, data can be captured, destroyed, manipulated or otherwise negatively influenced and arrive lost, incomplete, altered or late for other reasons. Each Party shall thus be responsible for taking appropriate precautions at own expense for ensuring error-free processing and transfer of data, preventing unauthorised third-party access to this data, and detecting negative influences.
- 4.3. PKF Zurich takes appropriate precautions to ensure that Client's data retains an appropriate data protection level in Switzerland or a third country.
- 4.4. To the extent legally permissible, PKF Zurich shall not be held liable for damage arising from the processing or transfer of Client's data. This exclusion of liability shall also apply in particular to harm arising from the use of third-party electronic solutions by PKF Zurich.
- 4.5. PKF Zurich may make third-party software available to Client. The terms and conditions of use of this third-party software are determined exclusively as indicated by the respective third-party provider. PKF Zurich assumes no liability for third-party software. However, PKF Zurich warrants that the third-party software shall be maintained and updated in accordance with the guidelines of the third-party provider. Client is aware that the third-party provider may have access to its data.
- 4.6. Should PKF Zurich, acting on Client's behalf, send data to the authorities or third parties via electronic solutions or similar means, Client shall be solely responsible for the content of such data.

5. Intellectual property rights

- 5.1. All intellectual property rights in relation to all work results created by PKF Zurich as well as the know-how developed or used in the process accrue to and remain exclusively with PKF Zurich. As part of the service performance, PKF Zurich grants Client a permanent, non-exclusive and non-transferable usage right to the work results.
- 5.2. Client has no claim to the disclosure and/or use of interim results, which are created on the way towards the final work results. PKF Zurich is the sole owner of these interim results.
- 5.3. For the purposes of clause 5.1 the following shall, in particular, also be considered work results (non-exhaustive list):
 - a) Financial Statements in Excel
 - b) Trial balance from Abacus as PDF file
 - c) Account details from Abacus as PDF file
 - d) Salary recapitulation (cumulative journal) from Abacus as PDF file
 - e) ABACUS client file including interfaces
 - f) Audit report / Management Letter

- 5.4. For the purposes of clause 5.1 the following shall also in particular be considered know-how of PKF Zurich (non-exhaustive list):
- Internally drawn-up balance documentation / evidence
 - Own calculations
 - Preparatory studies & research
 - Hand-written notes
 - Checklists
 - Audit documentation for audit mandates
- 5.5. Client passing on work results or parts thereof to third parties is only permitted with the express prior written consent of PKF Zurich, unless the right to pass them on arises from the circumstances (in particular audit reports and the like).
- 5.6. Client may use the work results provided by PKF Zurich, in particular reports, only in an unchanged version, and pass them on only, if authorised to do so in accordance with 5.5.
- 6. Confidentiality**
- 6.1. PKF Zurich undertakes is sworn to secrecy with respect to any confidential information that PKF Zurich becomes aware of within the context of the customer relationship.
- 6.2. The passing on of Client's confidential information for fulfilling Client's and/or PKF Zurich's legitimate objectives is exempt from the confidentiality obligation if the respective third parties are subject to an equivalent non-disclosure obligation, and to judicial or governmental authorities.
- 6.3. The non-disclosure obligation continues beyond the end of the contractual relationship.
- 6.4. This contractual and post-contractual non-disclosure obligation under the present clause 6 expressly does not prevent PKF Zurich from undertaking equivalent or similar engagements for other customers.
- 6.5. A reference to the existence of the contractual relationship between the Parties, in particular within the context of advertising or reference information, is permitted only with the mutual written agreement of both parties.
- 7. Fee, expenses and payment conditions**
- 7.1. The fee owed for the performance of the service in accordance with the engagement letter will be agreed in the engagement letter. If the fee is not specified in the engagement letter, the fee is based on PKF Zurich's typical hourly rates and the actual time spent. Information about the applicable hourly rates can be obtained from PKF Zurich. Travel times are considered work time.
- 7.2. In addition to the fee, PKF Zurich is entitled to the reimbursement of all expenses incurred that are attributable to Client. If PKF Zurich obtains services from third parties for the purpose of performing its services, Client commits, at PKF Zurich's request, to settle directly and in a timely fashion the claims of these third parties for fees and for expenses incurred and to indemnify PKF Zurich from all obligations incurred.
- 7.3. Any lump-sum compensation agreements cover only the services listed explicitly in the engagement letter; other expenses are to be additionally reimbursed based on the time spent in accordance with clause 7.1.
- 7.4. Cost proposals from PKF Zurich are based on the work required in the context of performing the service in accordance with Client documents and information initially made available, and require the timely and high-quality fulfilment of Client's duty of cooperation. Cost proposals are not binding in relation to the final calculation of the fee unless a lump-sum compensation agreement is expressly agreed in writing in accordance with 7.3 or a binding cost ceiling is promised.
- 7.5. If adjustments are made later to the services to be performed by PKF Zurich, the fee owed will be adapted correspondingly.
- 7.6. Cost proposals, hourly rates and fee-related details are exclusive of VAT and expenses in accordance with clause 7.2. PKF Zurich is also entitled to invoice a flat-rate charge of 3% of the fee to cover small expenses (post, telephone and fax charges, copies and the like). Travel expenses are not covered by the small expenses flat-rate charge and must be reimbursed separately as expenses in accordance with clause 7.2.
- 7.7. At its own discretion, PKF Zurich may request reasonable advance payments of fees and expenses and issue interim invoices for services already performed and expenses already incurred. If an advance payment is requested or an interim invoice is issued, PKF Zurich may make the performance of further services contingent on full settlement of the requested advance payments or interim invoices.
- 7.8. Fee invoices and expense charges are due without further ado upon expiry of the payment deadline indicated on the respective invoice (expiration date within the meaning of Art. 102 para. 2 CO [Swiss Code of Obligations]). From the expiration date, Client, regardless of any reminder, owes arrears interest of 5% p.a. When there is a delay in payment, PKF Zurich is entitled to additionally invoice Client flat-rate reminder fees of 30 Swiss francs in each case (after 60 and 90 days). If collection measures are taken (namely debt recovery), a flat-rate collection fee of 300 Swiss francs for PKF Zurich's expenses will additionally be owed.
- 7.9. For the enforcement of claims against Client arising from the contractual relationship, Client hereby releases PKF Zurich from its contractual and legal confidentiality obligation (including professional secrecy when appropriate), to the extent that this is necessary for enforcement of the claims.
- 7.10. Multiple principals are severally and jointly liable to PKF Zurich.
- 8. Complaints, liability and force majeure**
- 8.1. Within the framework of clause 2.2, PKF Zurich guarantees conscientious performance of the service, taking professional guidelines into account.
- 8.2. Client complaints regarding performance of the service by PKF Zurich should be made immediately in writing. PKF Zurich must be given a reasonable opportunity for rectification.
- 8.3. PKF Zurich's liability is limited to intent and gross negligence. To the extent legally permitted, PKF Zurich's liability is also limited to a maximum of twice the annual fee for the contract concerned or the particular engagement letter. For intrayear engagements PKF Zurich's liability is limited to twice the amount of the fee agreed for the individual engagement. This applies regardless of Art. 399 para. 2 CO [Swiss Code of Obligations], also for cases of substitution.
- 8.4. If Client's behaviour is jointly responsible for the damage that has occurred, PKF Zurich shall be relieved from liability. Breaches of the duty to cooperate in accordance with clause 3 shall, in particular, be considered jointly responsible conduct.
- 8.5. The party that is unable to fulfil its contractual obligations due to force majeure shall be in no way liable for damages to its contractual partner. It is released from its contractual obligations for as long as the force majeure persists. When the force majeure ceases, the contractual rights and obligations re-enter into force, unless the force majeure lasts for longer than one year. In this case the party not affected by the force majeure is entitled, but not obligated, to revoke or cancel the contract with a written statement.
- 9. PKF Zurich's warranty for a work contract service**
- 9.1. If the creation of a work in the meaning of Art. 363 CO [Swiss Code of Obligations] was agreed in the engagement letter, Client has a claim to the correction of any fault by PKF Zurich. In this respect, PKF Zurich is to be given a reasonable opportunity for rectification.
- 9.2. To the extent that complete rectification is not possible, Client has a claim to a reasonable reduction in the fee. Withdrawal from the contract is only possible if the deficiencies in the work makes use of the work impossible.
- 9.3. To the extent that additional claims for damages exist, the limitation of liability applies as per clause 8.3 ff.
- 10. Termination of the contract and its consequences**
- 10.1. The contractual relationship between PKF Zurich and Client documented by the engagement letter ends through full performance of the agreed service(s), expiry of the agreed duration, or cancellation in accordance with clause 10.2.
- 10.2. The contract can be cancelled by either side in writing and with immediate effect or upon reaching a specific date.
- 10.3. In case of a cancellation in accordance with clause 10.2, the services performed by the time the contract ends (including all of PKF Zurich's own expenditure or internal expenses, regardless of whether any work results or interim results have been delivered to Client) shall be settled by Client. If a cancellation takes place at an inopportune time, the cancelling party must also reimburse the other party for the harm that has been caused to it through the end of the contractual relationship at an inauspicious time.

- 10.4. If PKF Zurich has entered into obligations to third parties in support of the performance of the service on Client's behalf or made other provisions (including internal provisions) to ensure that the service is performed in a timely fashion, this shall, in particular, be considered cancellation at an inopportune time to PKF Zurich's detriment in accordance with clause 10.3.
- 10.5. Upon cancellation, PKF Zurich is entitled to invoice Client for lump sum compensation of 500 Swiss francs (excluding VAT) for infrastructure and archiving expenses arising from the end of the contractual relationship. This also applies when PKF Zurich notifies the cancellation itself.
- 10.6. If Client is an individual person, the engagement does not expire if he or she dies, is declared missing or incapable of action. If Client is in bankruptcy or similar proceedings are opened against it, the engagement only expires only after its revocation by PKF Zurich or the responsible authorities.
- 11. Client documents and data**
- 11.1. Upon the end of the contractual relationship, Client has, in principle, a claim to the return of all Client documents and information, at its expense. For the disclosure of work results by PKF Zurich, see clause 5.
- 11.2. The return obligation in accordance with clause 11.1 shall apply regardless of any statutory or regulatory retention obligations imposed upon PKF Zurich. For the purposes of documentation of the service performance, PKF Zurich is also entitled but not obligated to retain copies of Client's documents and information.
- 11.3. The obligation for retention of Client documents and information expires in relation to Client without further ado if PKF Zurich has requested Client to take receipt of the documents and information and Client has not fulfilled such request within six months.
- 12. Data privacy**
- 12.1. PKF Zurich commits to comply with data protection provisions and to process personal data in accordance with applicable data protection law. PKF Zurich's processing of personal data is explained in the data privacy declaration. The privacy policy forms an integral part of these GTC. It can be viewed at the following link:
https://cms.pkf.com/media/10044538/20190722_privacy-policy_en.pdf
- 12.2. By handing over third party personal data to PKF Zurich, Client warrants that i) such personal data was acquired in compliance with the law; ii) the data subjects were informed that it would be passed to PKF Zurich, and iii) the data subjects have given their consent to the data being passed on, insofar as this is required by data protection law.
- 12.3. With its consent to these GTC, Client declares that it has read and understood the privacy policy.
- 13. Special provisions related to audit & assurance services**
- 13.1. Subject of the audit are the audit services listed in the engagement letter.
- 13.2. Client is responsible for the preparation of the examination subject (financial statements, interim financial statements, etc.). PKF Zurich's job consists of performing an audit/examination according to relevant industry standards and providing a report on the conduct and the results of the audit. Due to the inherent limits of an audit (e.g. audit approach on the basis of materiality concerns and samples) and any internal control system, there is an unavoidable risk that material misstatements in the audit matter shall remain undetected. Client therefore remains responsible for the prevention and detection of misstatements in the subject matter.
- 13.3. Client shall ensure that PKF Zurich receives all documents and information required for the audit services in a timely fashion. Before the report is issued, Client shall give PKF Zurich a signed copy of representation letter including a signed examination subject.
- 13.4. Drafts or oral information from PKF Zurich are not binding, as it may differ significantly from the final audit report. PKF Zurich rejects any responsibility for damage arising to Client or third parties due to faith in drafts or oral information (see also clause 2.3).
- 13.5. If Client reproduces or copies PKF Zurich's reports in any form, the entire subject under audit must also be reproduced. Client shall allow PKF Zurich to view a draft prior to reproduction or copying and shall obtain PKF Zurich's consent to the reproduction or copying.
- 13.6. PKF Zurich's audit reports are intended exclusively for their addressees. The audit services are planned and carried out by PKF Zurich exclusively for the purpose and set of recipients indicated in the engagement letter.
- 13.7. Regardless of any consent that may exist, PKF Zurich is under no circumstances liable for harm arising due to audit reports being used for other purposes or third parties or through changes in the audit reports. Client shall compensate PKF Zurich for any damage incurred by PKF Zurich due to the use of audit reports for other purposes or through changes in the audit reports.
- 13.8. During and after the end of the engagement, the Parties shall treat the audit engagement, and all knowledge they acquire due to the audit engagement, confidentially. Clause 7 applies mutatis mutandis.
- 13.9. If a lump sum or fixed fee was agreed in the engagement letter, the professional ethics and rules of EXPERTSuisse require that when unforeseeable circumstances occur within the scope or during the exercise of the engagement that cause an increase in the audit work by PKF Zurich, the fee is adjusted to enable a high quality of service.
- 14. Special provisions for tax-related services**
- 14.1. The complete and truthful declaration of worldwide income and assets is Client's responsibility in any event.
- 14.2. In relation to compliance with legal deadlines and Client's cooperation obligations, reference is made in particular to clause 2.3 and clause 3.
- 15. Final provisions**
- 15.1. Deliveries from PKF Zurich to Client are considered to have been made when they have been sent to Client's last known address (postmark) or otherwise made available in accordance with Client's instructions. Deliveries to PKF Zurich are considered to have been made as soon as the corresponding documents are fully and completely in the possession of PKF Zurich.
- 15.2. If any one of the provisions of these GTC is ineffective, the other provisions of the GTC shall remain unaffected. The invalid provisions are to be replaced as soon as possible by effective provisions that are economically equivalent.
- 15.3. These GTC may be adjusted by PKF Zurich at any time. The GTC valid at the time of engagement letter shall apply to all engagements. These are published on the website www.pkf.ch. New GTC shall also apply to forthcoming contracts if they have been communicated to Client by PKF Zurich and Client has not rejected the new GTC in writing within a 60-day period after they were communicated.
- 15.4. All contractual relations between PKF Zurich and Client are subject to Swiss law, in particular the provisions of the Swiss Code of Obligations.
- 15.5. For any disputes arising hereunder, the Parties agree the city of Zurich as the exclusive place of jurisdiction.