

Conditions of use of the GS1 system

Association GS1 Switzerland

Art. 1 Participation

All natural and legal persons with registered office in Switzerland and Liechtenstein can apply for the usage rights to the GS1 system.

Registration is done in writing using an application form. The application form is available on the website www.gs1.ch. By applying, the applicant recognizes the statutes, the terms and conditions and the conditions of use of the GS1 system of GS1 Switzerland ("GS1"). GS1 shall make the decision on whether to grant usage rights to the GS1 system.

If the application is accepted, the applicant shall be given one GS1 company prefix number (GCP) or more if necessary. Once the application is accepted, the applicant shall receive a registration confirmation from GS1. On receiving the registration confirmation, the applicant should check for errors without delay and report them to GS1 in writing immediately.

Art. 2 Configuration

The GS1 company prefix number (GCP) is the basis of the GS1 system. Using this number, GS1 allocates a GLN (Global Location Number) to the member. This is the first GS1 Global Location Number (GLN) and identifies the member within the GS1 community as a legal person. If the member already has a GLN, this is taken into account.

Based on its GS1 company prefix number, the member takes responsibility for assigning further identification numbers according to area of use, under adherence to the system regulations:

- > GLN: Global Location Number, for clear identification of companies, operations and sites.
- > GTIN: Global Trade Item Number, for clear identification of items (products and services at all levels of packaging).

- > SSCC: Serial Shipping Container Code, for clear identification logistical units.

The use of this system is detailed in the GS1 General Specifications (in the latest version, in English). Any supplementary national stipulations are also binding. All documents are available on the GS1 website. The members are obliged to install the GS1 system in accordance with the instructions given. The implementation of the technical requirements for use of the GS1 system is the responsibility of the member. Dependency and hierarchy must be taken into account when assembling systems alongside each other.

GS1 can provide further products and services. Rights and responsibilities relating to these further products and services are detailed in additional contracts or in the T&Cs.

Art. 3 Members' obligations

Where a member is using the GS1 system, its GLN (Global Location Number) should be stated on its contractual forms, invoices, delivery notes and any other item-related correspondences with other members. When using the GS1 system, the member should use the GTIN as the item number in correspondence relating to goods management and invoicing.

Each member identifies its items for automatic recognition with the provided GS1 bar code symbology. The implementation regulations for labelling are detailed in English in the GS1 General Specifications. Any supplementary national stipulations are also binding for the member. Every member is obliged to adhere to these implementation regulations. When labelling sales and trading units, including individual products, the principle that the brand owner labels the units with the GTIN allocated to it applies.

Art. 4 GS1's obligations

GS1 shall provide the member with the GS1 company prefix number under observance of the implementation regulations. When demonstrably necessary, GS1 may provide several GS1 company prefix numbers. These numbers shall be allocated in the order that the registrations were received. GS1 is responsible for the overlap-free allocation of the GS1 company prefix numbers and shall ensure global clarity.

The GS1 General Specifications and any supplementary national stipulations are updated and publicised in arranged intervals. Changes affecting members shall be published as early as possible in the official journal and/or on the GS1 website in order that the members can adhere to the necessary migration deadlines.

GS1 manages specialist consultancy boards and working groups for the development and promotion of rationalization schemes, which ensure appropriate cooperation with the economic spheres concerned.

Art. 5 Misuse

The following cases in particular represent misuse of the GS1 system:

- a. The member passes on GS1 identification numbers (e.g. GLNs, GTINs) or parts of the allocated numbers to third parties.
- b. The member continues to use the GS1 company prefix number after the contract has expired or after individual GS1 company prefix numbers have been returned.
- c. The member uses identification numbers not allocated to it (e.g. GLNs, GTINs) or parts of number groups not allocated to it (GS1 company prefix numbers).

Should GS1 discover misuse of the GS1 system by a member, GS1 shall issue the member with a written statement

of this and request a response from the member. The member must take responsibility for the full damage caused to GS1 unless the member can prove that the misuse was not its fault. GS1 may exclude the fallible member from participation in the GS1 system and may also terminate the membership of the fallible member. In addition to the stated measures, GS1 may impose a contractual penalty upon the fallible member under Art. 8 of the conditions of use of the GS1 system. Misuse of the GS1 system generally represents a falsification of documents under Art. 251 of the Swiss criminal code and is, where the prerequisites are fulfilled, reported to the relevant law enforcement authorities.

Art. 6 Liability of GS1

Under the statutes, GS1 shall be liable to its members exclusively for direct damage where this was culpably caused by GS1 (e.g. as a result of incorrect number allocation). With the exception of liability for gross negligence or intent, GS1's liability shall be limited to a maximum of CHF 100,000. Liability for indirect damage is in principle excluded unless GS1 is responsible for such damage under law.

Art. 7 Termination

Every member can terminate their usage rights to the GS1 system under observance of a notice period of 3 months

to the end of a calendar year. Notice must be given in writing and is effective once received by GS1.

The member may return individual GS1 company prefix numbers to GS1 at any time and no termination of membership is necessary for this. The return and thus the relinquishment of further use of individual GS1 company prefix numbers must be notified to GS1 by the member in writing.

When terminating membership and/or returning individual GS1 company prefix numbers, the member is obliged to refrain from using the GS1 company prefix numbers supplied to it once the notice period has expired or after a number has been returned. If the member uses the GS1 company prefix numbers after expiry of the notice period or the return of a number and damage to GS1 results from this, the member concerned shall be fully liable for the resulting damage. This also applies expressly to damage occurring to GS1 as a result of misuse of the GS1 company prefix numbers if legitimate claims are made against GS1 by other members. The GS1 company prefix numbers may be reallocated by GS1 after a minimum of three years after the effective date of termination.

Art. 8 Penalties

GS1 may impose a penalty of CHF 50,000 for each occurrence of the mentioned incidences of misuse of the sys-

tem and/or numbers by its members. The penalty must be paid in addition to any compensation claim and is independent of other measures under Art. 5 Para 2 of these regulations.

Art. 9 Final clauses

The stipulations of these conditions of use are authoritative over the terms and conditions (T&Cs) of GS1.

The management of GS1 reserves the right to amend these conditions of use at any time. Each amendment shall come into force at the start of the following calendar year, as long as it is notified to members at least six months before the end of the current calendar year in the official journal and/or on the GS1 website. Amendment published later than this shall come into force in the next to following calendar year.

The place of jurisdiction and fulfilment is Berne.

Berne, December 2007