



## Purchase Agreement

between

**Philippe Du Bois et fils AG** (hereinafter referred to as "**DuBois**"), Hirzbodenweg 95,  
4052 Basel, Switzerland

and

**Buyer**

### Preamble

DuBois owns the eponymous watch brand DuBois et fils (1785), an independent brand with a tradition-steeped history and great innovative potential. The founding family was already known for its entrepreneurial creativity, its ability to generate ground-breaking ideas and to see beyond the immediate task. DuBois owns historical movements from renowned manufacturers. All these movements are icons of the Swiss watchmaking history and, since they are no longer produced today, have become valuable rarities. Enthusiasts now have the unique opportunity to acquire such movements.

Detailed information on the movements can be found on the DuBois website prior to purchase.

### 1. Purchase Item

The buyer purchases a tokenised movement Calibre Record 1959-2 manufactured by RECORD Watch Co. S.A. (hereinafter referred to as the "purchase item") from DuBois out of a total edition of 495 pieces.

Along with the purchase item, the buyer acquires a DuBois token which is stored in the buyer's user account with DuBois et fils (hereinafter "user account"). Detailed information about the purchase item is contained in the DuBois token and can be viewed by the buyer at any time.

### 2. Purchase Price

The purchase price for the movement is CHF 135,00 (hereinafter "purchase price"). DuBois shall invoice the purchase price including value added tax (VAT), if applicable. The purchase price is due immediately upon purchase (order) via the DuBois webshop.

### 3. Exclusion of Warranty and Liability

Any warranty and liability for the purchase item and the DuBois token associated with the purchase item is excluded to the extent permitted by law.

**DUBOIS**  
et fils

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#### **4. Possession and Safekeeping**

The purchase item remains in the possession of DuBois. DuBois undertakes to hold the purchase item in safekeeping.

#### **5. Usufruct**

The buyer grants DuBois an exclusive usufructuary right in respect of the purchase item. This includes, in particular, any modifications, overhauls and refinements to the purchase item as well as the incorporation of the latter in a watch (non-exhaustive list). In return for granting the usufructuary right, the buyer is given a purchase option (see paragraph 6) on the watch, in which the purchase item is incorporated.

#### **6. Purchase Option on the Watch**

DuBois produces new watch collections at regular intervals, whereby a series shall be limited to a maximum of 99 pieces. The buyer has the option of having the purchase item incorporated in a watch of a dedicated limited series. DuBois shall determine to which watch series the purchase item can be assigned. DuBois shall inform the buyer in a timely manner of the planned series and will give the buyer the opportunity to have the purchase item fitted in a specific watch during a time window defined by DuBois (so-called "release of the purchase item"). With the release of the purchase item, the buyer is automatically granted an exclusive purchase option on said watch for a limited time.

As soon as the buyer has released the purchase item, he or she has five days to exercise the purchase option on that specific watch.

Upon exercise of the purchase option, DuBois' right to acquire the purchase item is automatically triggered and the latter is transferred to DuBois at the purchase price specified in paragraph 2. The buyer will additionally receive a discount of 10% on the purchase price of the watch. Payment of the purchase price of the watch is due within 14 days after exercise of the purchase option. The purchase price for the purchase item will be transferred as a deposit to the buyer's user account within ten days after payment of the watch.

If the purchase option is not exercised within the time limit or if the purchase option is explicitly waived, this automatically triggers the acquisition of the purchase item by DuBois in accordance with paragraph 7 of this agreement. In this case, the purchase item will be transferred to DuBois at the purchase price stated in paragraph 2 multiplied by the factor 2.5.

The purchase price for the purchase item will be transferred as a deposit to the buyer's user account within ten days after the sale of the watch to a third party (calculated from the payment of the purchase price by the third party), but at the latest after the expiry of two years.

If a purchase option for the watch has been exercised, but the purchase price of the watch has not been paid within 14 days after the exercise of the purchase option, the object of purchase shall be transferred to DuBois at the purchase price specified in paragraph 2.

The afore mentioned mechanisms also apply if DuBois incorporates the purchase item into a watch using the usufructuary right, without the buyer having made the aforementioned release of the purchase item.

## **7. DuBois' Right of Purchase**

The buyer grants DuBois a right of purchase on the purchase item. DuBois may exercise this right of purchase at any time but undertakes to notify the buyer at least ten days in advance of the exercise of the right.

DuBois shall pay the following prices for the purchase item when exercising the right of purchase:

### **a) Purchase item incorporated into a watch:**

- If the buyer exercises the purchase option, DuBois will grant a discount of 10% on the purchase price of the watch in which the purchase item has been incorporated, in addition to the purchase price pursuant to paragraph 2 (including any VAT payable thereon by the buyer).
- If the buyer does not purchase the watch (renunciation of the purchase option), DuBois shall pay the purchase price according to paragraph 2 multiplied by 2.5 (including any VAT payable thereon by the buyer).

### **b) Purchase item not incorporated into a watch:**

In this case, DuBois shall pay the buyer the purchase price for the purchase item according to paragraph 2, multiplied by a factor of 1.2 (including any VAT payable thereon by the buyer).

If the buyer is liable to pay VAT, he or she shall issue an invoice to DuBois in conformity with VAT law and undertake to settle any VAT due on the payment independently with the Swiss Federal Tax Administration.

If the buyer exercises the purchase option on the watch, the price for the purchase item will be transferred as a deposit to the buyer's user account within ten days after the payment for the watch. If the right to purchase the watch is waived, the purchase price will be transferred as a deposit to the buyer's user account only upon the sale of the watch to a third party (calculated from payment of the purchase price by the third party), at the latest, however, after the expiry of two years. In all other cases, the purchase price will be transferred as a deposit within 20 days of DuBois exercising its right to purchase.

## **8. DuBois' Preemptive Right**

The buyer grants DuBois a preemptive right in the following cases: the purchase item is transferred to a spouse pursuant to marital property law or to an entitled person according to succession law provisions or the buyer offers the purchase item to a third party. DuBois must inform the buyer within 20 days of becoming aware of the preemptive event on whether it intends to exercise its preemptive right. The purchase price and the terms of payment are determined in accordance with the provisions of paragraph 7.

## **9. Exchange of the Purchase Item in the DuBois Shop**

As long as the purchase item has not been incorporated into a watch, the buyer has the right, at any time, to exchange the purchase item for a DuBois voucher. In this case, the movement will be valued at the purchase price mentioned in paragraph 2 multiplied by 1.2 (including any VAT payable by the buyer). The amount will be credited to the buyer's account and can only be redeemed for products and services offered in the DuBois Shop. The right of exchange cannot be combined with other rights under this agreement. The voucher is valid for two years from the date of issue.

If the buyer is subject to VAT, he or she will issue DuBois with a VAT-compliant invoice and undertakes to settle any VAT due on the payment independently with the Swiss Federal Tax Administration.

## **10. DuBois Token**

The DuBois token contains a copy of the present agreement as well as the essential information on the purchase item and the owner.

All rights and obligations set forth in this agreement will be exercised (to the extent possible) directly through the DuBois token. However, this does not include the payment of the purchase price. The DuBois token is deposited in the buyer's user account.

The DuBois token follows the purchase item. Consequently, if the object of purchase is transferred, the token is also transferred. The token may not be transferred to third parties without the consent of DuBois.

## **11. Transfer of the Agreement**

In the event of an ordinary or extraordinary cessation of business, DuBois is entitled to transfer the present contractual relationship to a legal successor. Furthermore, the present agreement may not be transferred without the express written consent of the other party.

**12. Reservation of Written Form and Severability Clause**

All amendments and additions to the agreement as well as the cancellation of the agreement must be made in writing. Should individual parts of the agreement prove to be invalid, this shall not affect the validity of the remaining provisions. The invalid provisions shall be replaced in accordance with the parties' intentions and legally permissible provisions which, factually and financially, come closest to the invalid provisions. This provision shall also apply mutatis mutandis to contractual loopholes.

**13. Taxes, Duties, Costs and Expenses**

Unless otherwise provided in this agreement, each party shall bear its own taxes, duties, costs and expenses connected with this agreement.

**14. Applicable Law and Jurisdiction**

Swiss law shall apply. The place of jurisdiction is Basel-Stadt.

Basel, 22. February 2022

Thomas Steinemann – CEO  
Philippe DuBois & Fils SA