Reason 99

General Terms and Conditions

Version 1.0 · valid from 22 November 2026

1 Scope and order of precedence

1.1 These terms apply to every contract between Reason 99 GmbH, Switzerland ("Reason 99", "we") and its clients ("the client") for designing, building, adapting, hosting, operating and supporting software, including systems that use artificial intelligence.

1.2 These terms are for contracts between businesses only.

1.3 The client's own terms and conditions do not apply, even if an order refers to them or we do not object to them, unless we have accepted them in writing.

1.4 If documents contradict each other, they apply in this order: a separately signed agreement and its agreed amendments, where there is one; the accepted quote and its agreed changes; the specification; these terms. Where no separate agreement is signed, the accepted quote, the specification and these terms together form the contract. For processing personal data, the data processing agreement (clause 13) comes first.

2 Offers, conclusion of contract and changes

2.1 Our quotes are binding for the validity period stated in them, or for 30 days if none is stated.

2.2 A contract is concluded when the client accepts a quote within its validity period, by signature or by email, or when both parties sign an agreement. We confirm acceptance by email.

2.3 Changes to the agreed scope are agreed in writing before work on them begins. With each change we state its effect on fee, timeline and the other stages. Unless agreed otherwise, changes are billed at the rate stated in the quote.

2.4 Where a quote gives an estimate rather than a fixed price, we tell the client as soon as we expect to exceed it by more than 10%, and continue beyond that only with the client's agreement.

3 Types of engagement

3.1 **Projects.** A project delivers a defined result in stages, as described in the specification. Unless the quote says otherwise, each stage has a fixed price and its result is owed as a work under Art. 363 ff. of the Swiss Code of Obligations (CO).

3.2 **Time-based work.** Consulting, workshops, analysis and support are billed by time spent. We owe careful work, not a particular result (Art. 394 ff. CO).

3.3 **Ongoing operation.** Hosting, monitoring, updates and keeping data current are billed as a recurring fee, with the minimum term and notice period stated in the quote.

3.4 Anything a quote or specification does not list is not included.

4 Client cooperation

4.1 The client provides on time what we need to do the work: access to systems and data, test data, contact people who can make decisions, and feedback and approvals within 5 working days unless the plan says otherwise.

4.2 The client makes sure it may lawfully give us the data and materials it provides, and that our use of them under the contract infringes no rights of others.

4.3 If cooperation is late or missing, timelines move accordingly and the extra effort is billed at the agreed rates. If it is still missing 10 working days after we have pointed this out in writing, we may pause the work.

4.4 The client keeps its own backups of the data it provides, unless we operate the system for it or hold the data on our infrastructure (clause 9).

5 Fees, expenses, VAT and payment

5.1 Prices are in Swiss francs and net. Swiss VAT is added where it applies. For clients outside Switzerland, VAT in the client's country may be due from the client under the reverse charge.

5.2 Unless the quote sets another schedule, fixed-price stages are invoiced on acceptance of the stage. For a stage longer than 10 working days, we may invoice monthly for the work done, credited against that stage's fixed price. Time-based work is invoiced monthly in arrears, and recurring services in advance for each month. A deposit, where the quote states one, is invoiced when the contract is concluded and credited against the final invoice.

5.3 Costs of third-party services used for the client, such as cloud hosting, AI model usage, data providers and licences, are passed on at cost, unless they are included in the price or the client pays them directly. We ask before incurring such costs above CHF 500 a month.

5.4 Travel costs are charged only if agreed in advance.

5.5 Invoices are payable within 30 days in Swiss francs, without deduction. Bank and exchange charges are borne by the client. The consequences of late payment follow Art. 102 ff. CO. If an invoice is still unpaid 15 days after a reminder, we may pause the work until it is paid, and timelines move accordingly.

6 Timelines and delays

6.1 Dates in a quote are planning dates, unless they are expressly agreed as binding.

6.2 Timelines start once the contract is concluded and the client has provided what is needed to begin.

6.3 Delays caused by the client, by third parties outside our control or by force majeure extend timelines accordingly. We tell the client promptly when we expect a delay.

6.4 If a binding date is missed for reasons within our control, the client may set a reasonable grace period in writing, of at least 15 working days. If that period also passes without delivery, the client may withdraw from the stage concerned and recover what it has paid for that stage.

7 Stage acceptance

7.1 We tell the client in writing when the result of a stage is ready for acceptance.

7.2 Within 10 working days, or the shorter period the specification sets for a stage, the client tests it against the acceptance criteria in the specification and either accepts it in writing or reports the defects that prevent acceptance, described well enough for us to reproduce them.

7.3 Minor defects that do not prevent the intended use do not prevent acceptance. We fix them under clause 8.

7.4 A stage counts as accepted if the client reports no defect that prevents acceptance within the testing period, or if the client starts using the result productively.

7.5 Once we have fixed the reported defects, the client retests only those, within 5 working days.

7.6 Acceptance of a stage is final for that stage. Later stages build on it.

7.7 Acceptance of a stage covers the results it delivered. Where the specification provides that a later stage checks or corrects those results, that work is part of the later stage.

8 Warranty and defects

8.1 For 90 days after acceptance of a stage, and in no case ending earlier than 90 days after acceptance of the final stage of the project, we warrant that the stage's result meets the specification.

8.2 The client reports defects in writing promptly after discovering them, with a description of how they show.

8.3 We fix reported defects within a reasonable time and free of charge, or provide a workaround that removes their effect. If two attempts fail, the client may ask for a reduction of the price of that stage. The client may withdraw from the stage only if its result is unusable for the client because of a substantial defect.

8.4 The warranty does not cover defects caused by changes made by the client or third parties, by use contrary to the documentation, by the client's own systems, by third-party services, or by data the client provided.

8.5 We do not warrant that software is free of every error in every situation, or that it achieves particular business results. Where a result is a measurement, such as a measured accuracy, we warrant that it was measured and reported as the specification describes, not that it reaches a particular level.

8.6 Further statutory warranty claims are excluded to the extent the law permits.

9 Hosting and operation, on the client's servers or ours

9.1 The quote states where the system runs: on the client's servers, or on infrastructure we provide ourselves or through cloud providers.

9.2 **On the client's servers**, the client is responsible for hardware, network, operating system security, availability and backups, except for tasks the quote assigns to us. The client gives us the access we need, and we follow the security rules it gives us in writing.

9.3 **On our infrastructure**, we operate the system with care and according to current practice, including backups, security updates and access control. Service levels such as availability and response times apply only if the quote states them. We announce planned maintenance in advance.

9.4 **When the contract ends**, we hand over on request within 30 days: the client's data in a common machine-readable format, the source code the client holds rights to under clause 11, and the documentation needed to run it. Help with moving the system elsewhere is billed at the agreed rates. 30 days after handover we delete the client's data, except where the law requires us to keep it.

9.5 **While we hold client data.** Infrastructure we use to perform the work, including our own hardware during a build, counts as our infrastructure under 9.3 and 9.4 for as long as client data is held on it.

10 AI components

10.1 Some systems use AI models. The quote or specification states which models are used and where they run: on the client's servers or ours, or with a named third-party provider.

10.2 AI output is probabilistic and can be incomplete or wrong. Where it matters, our systems are designed so that a person reviews the output before acting on it. The client remains responsible for decisions it takes on the basis of AI output.

10.3 We send client data to third-party AI providers only as described in the quote or specification, and only to providers that are contractually bound not to use it to train their models. Where client data must not leave the client's infrastructure, the specification says so and the system is built accordingly.

10.4 Third-party providers may change, replace or withdraw models and change their prices. If this affects the system, we tell the client and propose an adjustment. The resulting work is a change under clause 2.3, unless an operation contract covers it.

10.5 We give no guarantee of particular accuracy, results or business outcomes, unless they are written into the specification as acceptance criteria.

11 Rights in the work

11.1 Once a stage is paid in full, we transfer to the client all transferable rights in the results created specifically for it in that stage: its custom code, configuration, data models and documentation. The client may use, change and have them changed by others without restriction.

11.2 Our own tools, libraries, templates, components and know-how remain ours, whether they existed before the contract or were developed for general use. Where they form part of a result, the client receives a non-exclusive, permanent, royalty-free licence to use and change them as part of that system, including when the system passes to someone else. The specification lists by name which components are the client's under 11.1 and which remain ours under this clause, and that list prevails over these general descriptions.

11.3 Open-source components remain under their own licences. We list the main ones in the documentation, and we do not use components whose licence would oblige the client to publish its own code without telling the client first.

11.4 Third-party services such as cloud hosting, AI models and data sources are used under their providers' terms. The client may need its own accounts with them.

11.5 The client's data remains the client's. We use it only to perform the contract.

11.6 Until full payment, the client may use results only for testing.

11.7 We remain free to use the general skills and experience gained in the work, but not the client's confidential information or the code made specifically for it.

12 Confidentiality

12.1 Both parties keep confidential all non-public information about the other that they receive in connection with the contract. They use it only for the contract and share it only with employees and subcontractors who need it and are bound by the same duty.

12.2 This does not apply to information that is public without a breach of this duty, was already known to the recipient, was developed independently, or was lawfully received from a third party.

12.3 Disclosure required by law or by an authority is allowed. Where permitted, the other party is told first.

12.4 The duty lasts for the contract and 5 years after it ends; for trade secrets and personal data, for as long as they remain such.

12.5 When the contract ends, each party returns or deletes the other's confidential information on request, except copies it must keep by law or that remain in routine backups until they are overwritten.

13 Data protection

13.1 Each party complies with the data protection law that applies to it, in particular the Swiss Federal Act on Data Protection and, where it applies, the EU General Data Protection Regulation.

13.2 Where we process personal data on the client's behalf, we do so as its processor under the data processing agreement between the parties, whatever its title. That agreement must be in place before we receive any personal data, and it takes precedence over these terms for that processing.

13.3 The sub-processors we use are listed in that agreement. We tell the client in advance about any change.

13.4 Our own processing of personal data, such as contact and invoicing details, is described in our privacy notice at reason99.com/privacy.

14 Subcontractors, third-party services and key people

14.1 We may use subcontractors and are responsible for them as for our own work (Art. 101 CO). We name in advance any subcontractor who will have access to the client's systems or personal data. The client may object for good reason.

14.2 Where the quote expressly names the people who perform the work, we replace them only with people of equivalent skill, and tell the client beforehand. If a key person is unavailable for more than 10 working days, we tell the client at once and agree a plan with it.

14.3 We choose third-party services with care, but their availability is outside our control. We are not responsible for their outages, except where they result from our own breach of duty.

15 Liability

15.1 We are liable without limit for damage caused intentionally or by gross negligence, and for personal injury.

15.2 For damage caused by slight negligence, our total liability under a contract is limited to the fees the client paid under it in the 12 months before the event that caused the damage.

15.3 Except under 15.1, we are not liable for indirect or consequential damage, lost profit, lost savings, interruption of business or claims of third parties, nor for lost data where the client did not keep the backups it was responsible for.

15.4 These limits also apply to the liability of our employees and subcontractors, to the extent the law permits.

15.5 The client holds us harmless from claims of third parties that arise because data or materials it provided infringe their rights (clause 4.2).

16 Suspension and termination

16.1 **Projects.** The client may withdraw from a project at any time (Art. 377 CO). Where the quote groups the stages into phases, the client may also end the project at the end of a phase, by written notice given before the acceptance period for that phase's final stage expires. Where the quote defines no phases, each stage counts as a phase. On withdrawal, phases completed are paid in full and phases not yet begun cost nothing. A phase on which work has begun is payable in full, together with costs already incurred; but where notice was given in time, work already done on the following phase is paid at the agreed rate instead. This replaces the wider compensation the law would otherwise provide.

16.2 **Time-based work.** Either party may end it with 30 days' notice in writing.

16.3 **Ongoing operation.** It runs for the minimum term stated in the quote and can then be ended with 3 months' notice to the end of a month.

16.4 **For cause.** Either party may end the contract with immediate effect if the other seriously breaches it and does not remedy the breach within 20 working days of a written warning, or if the other becomes insolvent.

16.5 We may pause the work for unpaid invoices (clause 5.5) or missing cooperation (clause 4.3).

16.6 When the contract ends, fees for work already done remain due, the handover under clause 9.4 applies, and clauses 11, 12, 15 and 19 continue to apply.

17 References

17.1 We may describe the work in general terms, without naming the client or revealing confidential information, on our website, in our portfolio and in conversations with prospective clients. We name the client or show its logo only with its written consent.

18 Versions of these terms

18.1 Each version of these terms has a number and a date. The current version is published at reason99.com/terms, and earlier versions remain available there.

18.2 A contract is governed by the version named in its quote or agreement, or otherwise by the version current when the contract was concluded.

18.3 A later version applies to an existing contract only if both parties agree to it in writing.

19 Final provisions

19.1 **Form.** Changes to a contract and notices under it must be in writing. Email is sufficient.

19.2 **Language.** These terms are written in English. If a translation differs, the English text prevails.

19.3 **Severability.** If a provision is invalid, the rest remains valid. The invalid provision is replaced by the valid provision that comes closest to its purpose.

19.4 **Transfer.** Neither party may transfer the contract to a third party without the other's written consent. If a contract is concluded before Reason 99 GmbH is entered in the commercial register, the client agrees that the company takes it over on registration (Art. 779a CO).

19.5 **Place of performance** is the registered office of Reason 99, except for work done on the client's premises.

19.6 **Applicable law.** Swiss law applies, excluding its conflict-of-law rules and the UN Convention on Contracts for the International Sale of Goods.

19.7 **Jurisdiction.** The courts at the registered office of Reason 99 have exclusive jurisdiction. We may also sue the client at its registered office.