

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

Version 01.01.2017

1. General

- 1.1. The present General Terms and Conditions of Sale and Delivery apply for all performed deliveries by Tisca Tischhauser AG.
- 1.2. All of our offers, sales and deliveries shall be governed exclusively by the present Terms and Conditions, even if the Buyer's terms and conditions provide otherwise or the latter demands application of its own general terms and conditions. By taking receipt of our confirmation of order or the delivered goods, the Buyer agrees to our Terms and Conditions. On no account shall silence on our part with regards to the terms and conditions of the Buyer be construed as tacit recognition or approval thereof.
- 1.3. The agreement is concluded upon acceptance of the order by the Supplier or – where written form is required – upon receipt of the written confirmation of order from the Supplier.

2. Scope of delivery

- 2.1. The scope of delivery is detailed in the written confirmation of order or the delivery note of the Supplier.
- 2.2. The Supplier expressly reserves the right to adjust quantities in the event of material supply difficulties, import restrictions, quota restrictions, confiscation and other administrative measures as well as in cases of force majeure.
- 2.3. The delivery may contain production-related differences in size. In this regard, we wish to point out the following:
 - textile (wall-to-wall) floor coverings and fabrics: size tolerances in production width of up to $\pm 3\%$, however not exceeding ± 5 cm must be accepted. excess lengths of up to $+5\%$ are to be accepted by the Buyer against payment.
 - "custom" carpets (rugs, non-fitted carpets): size tolerances of up to $\pm 4\%$ in length and width must be accepted by the Buyer. The Buyer will be billed for the ordered size.

3. Prices

- 3.1. The price list valid at the time of the order being accepted is decisive (subsection 1.3).
- 3.2. In the case of wall-to-wall textile floor coverings and "custom" carpets, all prices are quoted net, exclusive of VAT, carriage prepaid by the Buyer, in the case of deliveries to Buyers domiciled abroad, "free CH border".
- 3.3. In the case of fabrics, all prices are quoted net, exclusive of VAT. The consignment is placed at the Buyer's disposal at the Supplier's Swiss production site. The minimum order quantity is 50 cm per colour. A 5% surcharge is charged for cutting the product to size. For sample hangers (swatches), the coupon price is charged for the required fabric.

3.4. The Buyer is charged a share of the transport costs for small consignments pursuant to the provisions of the price list.

3.5. The Supplier expressly reserves the right to adjust the prices in the event of price increases on the part of upstream suppliers, exchange rate fluctuations, increased or new taxes.

4. Payment terms

- 4.1. Invoices are payable within 30 days of the invoice date free of charge and without deduction to the account of the Supplier specified in the invoice. Default interest of at least 7% per annum is charged in case of default.
- 4.2. In case of default on the part of the Buyer, the Supplier is entitled to withdraw from the agreement without further ado or, following prior warning, to reserve the right to demand advance payment or other forms of security for further deliveries.

5. Reservation of title

- 5.1. The delivered goods remain the property of the Supplier until all of the Supplier's claims from the Buyer have been paid in full. The Buyer can, however, resell the goods in the ordinary course of business. The Buyer herewith assigns all claims resulting from the resale of the goods subject to reservation of title to the Supplier, including if the delivered goods have been processed. The Supplier accepts this assignment.
- 5.2. The Supplier is entitled, at its own expense, to enter the reservation of title in official registers and to meet all formalities in this regard. If necessary, the Buyer undertakes vis-à-vis the Supplier to take the precautionary measures required on its part at the Supplier's first request.
- 5.3. The Buyer may only dispose of the reserved goods and unpaid supplier's lien in the course of regular sales, and this only so long as the Supplier does not demand its surrender, which the Supplier is entitled to do at any time in the event of default. In so far as the Supplier clearly does not require the unpaid supplier's lien or assigned claims given the significantly lower claims vis-à-vis Buyer, the Buyer may at any time request the transfer of part of the security.
- 5.4. The authority of the Buyer to dispose of the goods subject to reservation of title in the course of regular sales ends, irrespective of the revocation permissible at any time by the Supplier, upon suspension of payments of the Buyer, or if application for the opening of insolvency- or composition proceedings to avoid bankruptcy has been filed against the Buyer's assets.
- 5.5. The Supplier does not collect the assigned receivables, provided the Buyer meets its financial obligations. However, the Buyer at the Supplier's request is obliged to provide the Supplier with a detailed list of the claims due to the Buyer including the names and addresses of its customers, the

amount of the individual claims, the invoice date, etc., to notify its customers of the assignment and to furnish the Supplier with all information required in order to assert all assigned claims. The Buyer is entitled to collect the claims itself until such time that the Supplier issues instructions to the contrary. The Buyer authorises the Supplier, as soon as the Buyer gets into default with a payment or its financial circumstances significantly deteriorate, to notify the Buyer's customers of this assignment and to collect the claims itself. In this case, the Supplier may demand that the Buyer permits an audit of the assigned claims by its agent on the basis of the Buyer's accounts.

- 5.6. The reservation of title and the assignment continue to exist even if individual claims due to the Supplier are included in an open account and the accounts have been balanced and recognised.
- 5.7. As soon as it ceases payments, the Buyer is obliged immediately after announcing cessation of payments to send the Supplier a list of goods subject to reservation of title still available, even if they have been processed, and a list of claims due from third-party debtors in addition to copies of the relevant invoices.

6. Delivery terms

- 6.1. The delivery term commences on the date of the written confirmation of order or on receipt of the verbal order and its acceptance in writing by the Supplier.
- 6.2. The delivery period does not commence or is extended by a reasonable period,
- in the event of material supply difficulties and delayed delivery by the upstream supplier;
 - if, at no fault of the Supplier, events of whatever kind occur that impede the orderly continuation of the work for implementation of the order;
 - if the Buyer defaults on the fulfilment of its contractual obligations resulting from earlier deliveries, especially if it should fail to comply with the payment terms.
- 6.3. If the Supplier is in arrears with the delivery for other reasons, it is entitled to a 4-week period of grace without any liability for damages commencing from the serving of notice of default by the Buyer by means of a registered letter.
- 6.4. Force majeure releases the Supplier from its delivery obligations to the exclusion of further claims from the Buyer.
- 6.5. In the case of call orders, the Buyer must take delivery of the goods within the agreed period. Any balance remaining at the end of this period is billed to the Buyer subject to simultaneous provision of the goods.

7. Passing of benefit and risk

- 7.1. Benefit and risk pass to the Buyer upon delivery of the goods at the agreed location, or in the case of deliveries abroad, at the Swiss border. If the goods are collected from the Supplier, the benefit and risk passes to the Buyer upon loading (ex ramp Supplier).
- 7.2. In the case of call orders, the benefit and risk pass to the Buyer at the latest upon expiry of the period for taking delivery.

8. Guarantee

- 8.1. The Supplier assures the Buyer that the delivered products are free of material or production defects. This guarantee excludes damage resulting from normal wear and tear, improper maintenance or non-observance of the laying instructions and inappropriate manipulation by the Buyer or third parties.
- 8.2. All guarantee claims are excluded in the case of customary or minor, technically unavoidable deviations in quality, structure, colour, width, weight, equipment or design.
- 8.3. Claims due to shading in the case of velvet-pile products (carpets and fabrics) cannot be accepted.
- 8.4. The Buyer must inspect the delivery immediately following receipt and report all defects in writing before processing the goods, however at the latest within 14 days following receipt.
- 8.5. Defects discovered subsequently, however within the guarantee period, must be reported in writing immediately.
- 8.6. The guarantee period for fabrics and "custom" carpets (rugs, and non-fitted carpets) is 1 year and for textile floor coverings (wall-to-wall) 5 years. The guarantee period commences upon delivery of the goods and assumes that the product is laid, employed, used, maintained and cleaned in accordance with the range of applications specified by the Supplier. This guarantee does not extend to defects caused by third parties (e.g. the persons laying or cleaning the carpet/floor covering). Otherwise, the provisions of the Swiss Code of Obligations apply.
- 8.7. In the case of defects falling under the above guarantee terms, the Supplier at its own discretion either carries out repair or replaces the defective part free of charge. The goods may not be returned without the Supplier's prior consent.
- 8.8. In the case of textile floor coverings (wall-to-wall) and "custom" carpets (e.g. "rugs", non-fitted carpets) as well as fabrics, the Buyer must give the Supplier the opportunity to inspect, and where possible, repair the goods on site. If the Buyer asserts a legally sound claim against the Supplier for the complete replacement of the damaged goods, the Supplier also bears the costs of the replacement (in the case of fabrics and "custom" carpets) or redelivery and relaying (in the case of wall-to-wall textile floor coverings). The Buyer, however, is required to contribute to the costs of the replacement and relaying per year of use (measured as the period between the delivery and replacement) with 20% of the originally paid sales price (and the additional laying costs in the case of wall-to-wall textile floor coverings). The Supplier bears the costs of all measures required for the determination of a guarantee claim, in so far as the claim proves to be justified. The Buyer bears these costs if the guarantee claim proves to be unjustified.
- 8.9. Unless provided for otherwise in the present provisions, the guarantee for fabrics is governed by the Swiss Code of Obligations. However, fabrics may only be returned with the Supplier's approval and at the Buyer's expense. The Supplier is entitled to charge the following discounts for scraps:
- under three running metres: no return
 - 3-10 running metres: 20% of the invoice amount

- over 10 running metres: 10% of the invoice amount
- 8.10. Further claims, in particular for damages (including lost profit) are expressly excluded.
- 9. Product liability**
- 9.1. Product liability claims are settled according to the relevant provisions of the Swiss Federal Product Liability Law.
- 9.2. The Buyer excludes any product liability claims and further contractual and noncontractual claims from its customer as permitted by law; this also applies to the Supplier.
- 9.3. The Buyer must notify the Supplier immediately of all specific claims that a customer ascribes to product liability or which could be ascribed to it. The Buyer is not permitted to accept liability under product liability without the Supplier's prior approval.
- 10. Intellectual property**
- 10.1. Samples and designs remain our property even if the Buyer bears the costs for these in full or in part.
- 10.2. All rights of use and enjoyment held by the Supplier or arising during the execution of the order, in particular to drawings, plans, samples, designs and such like, remain with the Supplier exclusively and in their entirety, unless otherwise agreed in writing by the parties.

10.3. In the case of custom production, the Buyer is fully responsible for ensuring that no patents or other third-party rights are violated. In this regard, it alone bears sole responsibility. The Buyer exempts the Supplier from all third-party claims resulting from possible infringements of right.

11. Applicable law, legal venue

- 11.1. The present General Terms and Conditions of Sale and Delivery are provided by the Supplier in a number of different languages. In the case of disputes pertaining to interpretation, the German version alone is authoritative.
- 11.2. This contractual relationship is governed exclusively by Swiss law, to the exclusion of the UN Convention on Contracts for the International Sale of Goods.
- 11.3. **Place of performance and legal venue** for all liabilities resulting from this agreement is CH-9055 Böhler.

12. Entry into force

These General Terms and Conditions of Sale and Delivery enter into force on 1 January 2017. All earlier provisions are cancelled as of this date.

These General Terms and Conditions of Sale and Delivery may be amended unilaterally by the Supplier at any time without consulting the Buyer.