

GENERAL CONDITIONS FOR THE TRANSPORTATION OF ARTWORKS (01.06.2017)

These General Terms and Conditions of Business (hereinafter referred to as "GTC") govern the rights and obligations of both the client and Welte-Furrer Fine Art AG (hereinafter referred to as "WF") with regard to the transportation (hereinafter referred to as "Transport Contract") of artworks and antiques (hereinafter referred to as "Artworks") as well as to services that are directly, indirectly or not related to transportation (hereinafter referred to as "Service Contract"). For the storage of Artworks, WF's General Storage Conditions for Artworks apply .

1 SUBJECT

- 1.1. WF undertakes the transportation of Artworks as well as other services according to the following provisions and against payment of the agreed fee.
- 1.2. The basis for the transportation of the Artworks and for the provision of further services by WF shall be the Transport or Service Contract concluded between the parties as well as the present GTC. In the event of any dispute, the provisions of the Transport or Service Contract shall prevail.

2 INFORMATION, NOTICES AND DOCUMENTS

- 2.1. The client shall provide WF with all necessary and accurate information and documents for the objects to be transported. The same applies to information and documentation on transportation and other services. This applies especially although not exclusively, to quantity, nature, special properties, estimation or fair value, ownership and third-party rights. In addition, the client shall provide WF with all information concerning the status of customs clearance of the Artworks and shall provide the necessary customs documents and information in timely manner. Changes during transportation must be notified to WF in writing. Likewise, the client shall notify WF in writing of any change in his domicile.
- 2.2. For WF, the information provided is binding. It is not obliged, but is entitled, to verify it. In the absence of data or documents, or if the information is incomplete or incorrect, any disadvantage shall be borne by the client and **WF shall not be liable for any damage (Section 4.7 h and 4.7 i).**
- 2.3. In the event of missing or incorrect information on the Artworks to be transported, WF can, without having to state grounds, refuse to transport the Artworks. WF shall in no way be liable for any loss that results from this refusal, unless it has given the appropriate written assurances in the Transport Contract.
- 2.4. WF does not guarantee specific delivery dates unless they have been agreed in writing.

3 PERFORMANCE

- 3.1. On receipt of the Artworks, WF checks only the quantity and the packaging for externally recognizable defects. Defective packaging must be repaired by the client. If the Artworks are not packaged, WF checks only their outer appearance.
- 3.2. The Artworks are weighed on handing over only if expressly required by the client, if necessary for customs processing or if checking appears to WF to be necessary.
- 3.3. If the recipient or his agent refuses to accept the Artworks, is not ascertainable or refuses to pay the receivables due on the Artworks, or if the consignment cannot be delivered for other reasons for which WF is not responsible, WF shall be entitled at the client's expense to store the Artworks, to return them to the customer or to dispose of them as it sees fit.
- 3.4. Subject to specific contractual regulation, WF is not obliged but is entitled to pay warehouse charges, duties, taxes, etc. on the client's behalf. WF may for this purpose rely on the information provided by the client. The latter is liable for all consequences of an incorrect declaration, including taxes, duties, fines and penalties. The client shall reimburse WF for any expenditure including interest and a handling charge.
- 3.5. The client shall provide the agreed remuneration for the transportation or the services. Additional costs (customs duties, taxes, storage fees, etc.) must be paid by the client separately with interest and a processing fee. All invoices from WF shall be due for payment within 30 days of invoicing. From the first day of default, interest of 0.6% per month will be charged.

- 3.6. The client shall ensure that the Artworks are properly labelled and packaged and that the recipient address is correctly stated in the Transport or Service contract as well as on the Artworks. In the case of inconsistencies in the recipient's address, WF reserves the right to deliver to one of the recipient addresses specified and shall not be liable for any delays, disadvantages, losses or damage arising therefrom.
- 3.7. On accepting the Artworks, the recipient must examine the condition and quantity of the goods and immediately notify WF of externally recognizable defects in writing on the receipt of goods and must specify via registered mail any hidden defects within eight days of the date of delivery. If no defects are indicated within the specified period, all claims against WF shall be forfeit.

- 3.8. Subject to compulsory statutory provision, all claims against WF expire after one year. The limitation period runs from the date of delivery of the Artworks. In the event of loss or delay, the period shall be from the date on which the delivery was due. In all other cases, the limitation period begins with the date on which the service was or should have been rendered.

4 LIABILITY

- 4.1. WF hereby assures the client it will perform the Transport or Service Contract with all due care and in accordance with contract.
- 4.2. **WF is liable solely for damage demonstrably caused by unlawful intent or gross negligence by WF.**
- 4.3. **WF is authorized to engage auxiliary persons, freight carriers and other third parties to carry out the Transport Contract and to provide additional services. If any damage is caused by an auxiliary person, courier or third party, WF shall be liable only if and insofar as it has demonstrably failed to carry out recruitment and training with the necessary care.**
- 4.4. **In the event of loss or damage to the Artworks, WF shall be liable only for the declared value of the Artworks concerned up to a maximum of 8.33 SDR / kg gross weight of the Artworks concerned and up to a total liability of 20'000 SDRs per event.**
- 4.5. **In the event of loss due to delay, WF shall be liable only up to the amount of the agreed freight costs and up to a total liability of 20'000 SDRs per event.**
- 4.6. **In all other cases, WF's liability is limited to max. 20'000 SDRs per event.**
- 4.7. **WFs shall not be liable for:**
 - (a) **damage or loss caused by force majeure, strike, martial events or similar occurrences;**
 - (b) **sensitive Artworks;**
 - (c) **unpacked or improperly packaged Artworks;**
 - (d) **the content of boxes, baskets, cabinets, drawers and other containers, unless WF has a special written list from the client and an appropriate special written agreement has been formed;**
 - (e) **glue and veneer failures, bruises, pressure points on furniture, breakage of rotten furniture, or for damage due to temperature fluctuations or atmospheric humidity;**
 - (f) **rust, mouse, rat and moth damage, woodworm, mold;**
 - (g) **internal damage to items received in a defect-free condition;**
 - (h) **the consequences of false, inaccurate or missing information pertaining to the Artworks;**
 - (i) **documents that are missing or not provided by the client in time;**
 - (j) **indirect damage or consequential damage such as loss due to delay, loss of profits, impairment claims, contractual penalties, etc;**
 - (k) **circumstances that WF was not able to influence despite exercising the necessary care and whose consequences they could not avert.**

- 4.8. Unless an explicit written agreement has been made, WF's duty of care extends only to the transportation of the Artworks by suitable means, and not to special arrangements or to the handling of the Artworks during transportation.
- 4.9. Unless otherwise agreed in writing, loading and unloading into and out of the transport vehicle is to be undertaken by the client or the recipient. If WF staff nevertheless assist in the process of loading or unloading, or at the express request of the recipient or client undertakes it alone, the WF staff involved are to be regarded as auxiliary person(s) to the client or recipient.
- 4.10. The liability of WF shall in any event begin at the earliest with the acceptance of the Artworks and end at the latest with their surrender to the client or recipient or with the recipient refusing to accept them or with delivery of the Artworks being impossible for reasons attributable to the client. If the client or the recipient himself performs loading or unloading, WF shall be released from any liability for such actions and from any liability until after or from this point.
- 4.11. The limitations and exclusions of liability apply to claims under any legal title and in particular to tort claims.
- 4.12. The client shall be liable to WF for all damage suffered by WF or any third party as a result of the Artworks, their packaging or containers or by other means.

5 INSURANCE

- 5.1. WF shall purchase insurance for the Artworks on behalf of the client only if a corresponding written order has been placed by the client. The value declared by the client shall be taken as the insurance value. This must be proved by the claimant in the event of damage or loss. The insurance premiums will be invoiced separately to the client. WF shall act as an intermediary between the client and the insurance company. **The liability of WF as an intermediary shall be determined in accordance with Section 4.**
- 5.2. In the event of a change in the quantity or value of the Artworks, the insurance sum shall be adjusted upon written order of the client. Any loss resulting from a change in value that has not been reported to WF or not reported to WF in a timely manner shall be borne solely by the client.
- 5.3. If the client does not issue an order pursuant to Section 5.1 to WF, WF will assume that the Artworks are adequately insured by the client or a

third party and that any liability on the part of WF is completely excluded.

6 RIGHT OF RETENTION, RIGHT OF LIEN AND RIGHT TO OFFSET

- 6.1. WF reserves the right of retention as well as a contractual right of lien to cover any claims against the client arising from any legal title.
- 6.2. The transfer of ownership of the Artworks to a third party will not affect the WF's rights in respect of the Artworks.
- 6.3. Compensation claims based on the justifiable non-delivery of Artworks are completely excluded.
- 6.4. **The client expressly waives the right to offset claims by WF for freight fees or compensation for any additional services or any other claims by WF against any counter-claims.**

7 GENERAL REGULATIONS

- 7.1. Changes and additions to the Transport or Service contract between the customer and WF or to these General Terms and Conditions must be made in writing. This also applies to a change in the requirement for the written form.
- 7.2. Written in the sense of these GTC is the exchange by letter, fax or e-mail of expressions of intent. The right to conclude different written agreements is reserved.
- 7.3. Should individual provisions be invalid or unenforceable, the validity of the remaining provisions shall remain unaffected. The invalid or unenforceable provision shall in this event be replaced by a provision which is closest to the economic purpose of the invalid or unenforceable provision.
- 7.4. These GTC are written in German and in English. The German version shall prevail.

8 COURT OF JURISDICTION AND APPLICABLE LAW

- 8.1. **Unless mandatory law provides for a different or further local or international jurisdiction, all claims disputed between the client and WF shall be decided locally exclusively by the courts of Zurich. WF reserves the right to file suit at any other competent court.**
- 8.2. Exclusively applicable is Swiss substantive law.