

General Terms and Conditions of Sale for Architecture Fabrics

Effective January 1st, 2018

1. General

- 1.1 These General Terms and Conditions of Sale are binding for all supply contracts and the contractual negotiations relating to such contracts, if declared applicable in the offer or order confirmation. Any of the customer's terms and conditions which are contrary hereto only apply insofar as they have been expressly approved by Sefar AG in writing.
- 1.2 A contract is concluded on confirmation by Sefar AG that it accepts the order. Offers made by Sefar AG which do not contain an acceptance deadline are not binding.
- 1.3 All agreements and legally relevant declarations between the customer and Sefar AG must be in writing in order to be valid.

2. Technical documentation, tools and samples

- 2.1 Technical documentation is binding without the need for any further agreement.
- 2.2 Both parties to the contract reserve all rights to technical documentation, tools, samples, drawings and software, which they have sent or made available to the other party. The receiving party shall recognize such rights and shall not, without the prior written authorization of the other party, place these goods, in whole or in part, at the disposal of third parties or use them for a purpose other than that for which they have been delivered.
- 2.3 The customer does not acquire any title to these goods even by remunerating the costs of technical documentation, tools or samples, and in particular does not acquire any rights of publication, duplication, revision or commercialization.
- 2.4 The customer warrants to Sefar AG that the implementation of orders in accordance with the customer's samples and drawings will not infringe third-party intellectual property rights.

3. Regulations in the country of destination

The customer is obliged to notify Sefar AG in due time of any statutory, regulatory or other restrictions, which apply to performance of the contract.

4. Inspection of the goods and services supplied

Sefar AG will inspect the goods supplied within the normal limits of its process control system (ISO 9001 Quality System). If the customer requires more extensive inspections, they must be agreed separately and paid for by the customer.

5. Delivery period

- 5.1 The delivery period commences as soon as the order has been accepted by Sefar AG and all technical matters have been resolved in full, and, where indicated, after receipt of advance payments or other securities to be provided by the customer under the order.
- 5.2 The delivery period shall be reasonably extended:
- if the information required by Sefar AG for performance of the contract is not received in time, or if the customer subsequently changes it;
 - if agreed terms of payment are not met, letters of credit are issued too late, or the necessary import licenses are not received by Sefar AG in time;
 - if hindrances occur which Sefar AG cannot prevent despite using due care, irrespective of whether they affect Sefar AG or the customer or a third party. Such hindrances constitute force majeure and include epidemics, mobilization, war, revolution, major operational disruption, accidents, industrial disputes, late or deficient delivery of the required raw materials and semi-finished or finished products, the need to scrap major components, official actions or omissions by state authorities or public bodies, natural disasters.

6. Packaging

Sefar AG uses standardized cardboard boxes. Any special packaging must be specified and will be charged to the customer.

7. Excess or short delivery

No complaint can be made in respect of excess or short deliveries, which are within the agreed tolerance. The quantity actually supplied will be invoiced.

8. Warranty, liability for defects

- 8.1 Sefar AG hereby warrants that the products delivered are free from material and manufacturing defects. The product characteristics conform exclusively to those described in the respective technical documentation.

Unless expressly agreed between the parties, Sefar AG does not give any assurances regarding the marketability or the fitness of the products for the use intended by the customer. Any and all liability on the part of Sefar AG, arising from or in connection with the use of the products, is thereby excluded, unless Sefar AG has given such an express assurance to the customer. Such assurance will cease to apply no later than the end of the warranty period.

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- 8.2 The customer shall inspect the goods immediately upon receipt. Complaints relating to quantity and visible defects must be made in writing within seven working days, while complaints relating to non-visible defects must be made within seven working days of discovery.
- 8.3 Any claim made under this warranty shall be made in writing by registered mail to the address listed below no later than thirty (30) days following the discovery of the alleged defect. Failure to notify Sefar within the thirty (30) day period following the discovery of any defect shall render this warranty null and void. Sefar shall be entitled to inspect the product in order to take timely and appropriate action. In the event Sefar representatives are denied access to inspection of material for alleged defect, this warranty shall be null and void.
- 8.4 The warranty will expire prematurely if the customer or third parties undertake improper operations, storage, modifications or repairs or if, in the event of a defect occurring, the customer fails to take all the appropriate measures to minimize the loss and does not give Sefar AG opportunity to rectify the defects.
- 8.5 Any loss which is not demonstrably the fault of Sefar AG, such as losses due to natural wear and tear, inadequate maintenance, failure to observe operating instructions, overloading, inappropriate operating material, chemical or electrolytic effects, acts of third parties etc., is excluded from the warranty and there is no liability for it on the part of Sefar AG.
- 8.6 Where delivered products are defective, during the warranty period the customer may request either replacement of the defective goods or elimination of the defect by Sefar AG.
- 8.7 If a defect pursuant to Article 8.6 is not remedied by way of elimination or replacement by Sefar AG, within a reasonable period, the customer may ask for a price reduction or cancelation of the contract. Sefar's liability under and in connection with this warranty is limited to the original purchase price of the material.
- 8.8 Any liability, contractual or otherwise, for consequential loss arising directly or indirectly from a defect, is hereby explicitly excluded.
- 8.9 **SEFAR® Architecture Interior/ Exterior**
 Sefar warrants that SEFAR® Architecture Fabrics are at the time of delivery free from material defects, which might affect functional performance, and will not be damaged by exposure to sunlight, normal weather conditions or water which might affect functional performance. The warranty is limited to a period of ten (10) years from the date of delivery.
- 8.10 **SEFAR® Architecture TENARA® fabric**
 Sefar warrants that SEFAR® Architecture TENARA® Fabric are at the time of delivery free from material defects, which might affect functional and structural performance. It will not be damaged by folding, exposure to sun, normal weather conditions or water, which might affect functional performance. The warranty is limited to a period of fifteen (15) years from date of delivery.
- 8.11 **SEFAR® Architecture VISION**
 SEFAR® Architecture VISION is exclusively developed for the laminated application with glass. For other applications it is the sole responsibility of the processing company for the protection of the surface of dirt, discoloration etc. (e.g. by a lacquer system).
 The choice of laminating material and method of processing and protecting the fabric edge depends on the application and/or object location and is the sole responsibility of the converter. Sefar warrants that no damages arise, by observing all SEFAR® Architecture VISION guidelines and technical information, which might lead to a impairment of the performance. This warranty is limited on a period of fifteen (15) years after delivery date.
- 8.12 Warranty Exclusions:
 8.12.1 **SEFAR® Architecture Interior/ Exterior and SEFAR® Architecture TENARA® fabric**
 This warranty shall be null and void and does not apply to any product or part thereof that, in Sefar's sole judgment has been subject to misuse, neglect, alteration or accident, abused by machinery, equipment or any persons, been exposed to excessive pressures, acts of God, falling objects, explosions, fire, riots, civil commotion, external forces, faulty or inadequate installation, abrasion, structural shrinkage or distortion of supporting structure, acts of war, radiation, foreign substances in the atmosphere, floods; further, where its use in architectural structures is not in accordance with accepted or recommended design, engineering and manufacturing standards, fabricated with unacceptable practices, or repaired or altered by anyone other than a fabricator schooled in the practices of fabricating SEFAR® Architecture Fabric, so as, in Sefar's sole judgment, to affect the quality, efficiency or effectiveness of the product. Furthermore, this warranty shall be null and void and does not apply to any product or part thereof that in Sefar's sole judgment has been fabricated or installed improperly or maintained in a manner not recommended by Sefar, including the use of non-recommended solvent-based cleaning agents, including but not limited to those containing MEK toluene, THF, MIBK butyl acetate, ethyl acetate, acetone. Light transmission color fastness (fading),

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and micro-organism growth due to poor air circulation are not warranted, unless specifically outlined in a separate provisional warranty.

8.12.2. SEFAR® Architecture VISION

This warranty shall be null and void and does not apply to any product or part thereof that, in Sefar's sole judgment has been subject to misuse, neglect, alteration or accident, abused by machinery, equipment or any persons, been exposed to excessive pressures or too high temperatures, acts of God, falling objects, explosions, fire, riots, civil commotion, external forces faulty or inadequate installation, abrasion, structural shrinkage or distortion of supporting structure, acts of war, radiation, foreign substances in the atmosphere, floods; further, where its use in architectural structures is not in accordance with accepted or recommended design, engineering and manufacturing standards, fabricated using unacceptable practices, or repaired or altered by anyone other than a fabricator schooled in the practices of handling Vision fabric so as — in Sefar's sole judgment — to affect the quality, efficiency or effectiveness of the product. Furthermore, this warranty with respect to products or parts thereof is null and void if — in Sefar's sole judgment — they have been improperly stored or processed.

9. Retention of title

- 9.1 Sefar AG retains title to the goods until it has received full payment according to the contract.
- 9.2 Sefar AG is entitled, with the customer's participation, to apply for the retention of title to be entered in the appropriate register.
- 9.3 The customer shall store the delivered goods at its own expense during the period of the retention of title. It shall be liable to Sefar AG for theft, fire, water and other risks. It shall, moreover, take all measures necessary to ensure that the title of Sefar AG is neither impaired nor avoided.

10. Prices

- 10.1 The prices stipulated relate only to the goods and services specified in the contract.
- 10.2 Value-added tax (VAT) is not included and will be charged separately when applicable.
- 10.3 Additional expenditure caused by the customer due to subsequent amendment of the order will be charged for separately according to the expenses incurred.

10.4 Tools, samples, drawings and other preparatory work will be invoiced separately even where the offer does not give rise to an order.

10.5 Inspections which exceed the normal limits as well as special packaging must be agreed and paid for separately. The customer shall bear the cost of certification of any kind (certificates of origin, supporting documents, verifications etc.).

10.6 Sefar AG reserves the right to apply a surcharge for orders below a minimum quantity.

11. Payment terms

- 11.1 Payment terms are 30 days net unless agreed and confirmed otherwise. Sefar AG reserves the right to charge interest on late payments.
- 11.2 Any foreign bank charges shall be borne by the customer.

12. Default

12.1 If the customer fails to meet its obligations, Sefar AG is entitled, following prior written notice, to suspend work on other orders for the same customer or to withdraw from the contract, and the customer shall be obliged to return goods and services already delivered. Sefar AG will be entitled to claim the following compensation:

- a) all expenses in respect of handling, transportation and legal fees;
- b) default interest on the total amount of the contract for the period commencing on the due date until settlement;
- c) compensation for the reduction in the value of the returned goods.

Sefar AG expressly reserves the right to assert further claims to restore its position under the contract and to make good any loss arising from the default.

13. Place of jurisdiction and applicable law

13.1 The place of exclusive jurisdiction for all disputes arising under the contract or its terms of delivery is **Heiden, canton Appenzell Ausserrhoden, Switzerland**. Sefar AG shall, however, be at liberty to assert its rights before any competent court or any authority in Switzerland and abroad.

13.2 The legal relationship is governed by **Swiss substantive law**. The international rules regarding the conflict of laws as well as the United Nations Convention on Contracts for the International Sale of Goods (CISG) are excluded.