

# WEBA

Switzerland

## General Terms and Conditions

### I. GENERAL

#### 1. Scope

The following terms and conditions apply to all deliveries and trade in woven or knitted articles between weba Weberei Appenzell AG and its customers.

#### 2. Jurisdiction and applicable law

- 2.1. The place of jurisdiction is at the legal domicile of the company weba Weberei Appenzell AG, in 9050 Appenzell, Switzerland.
- 2.2. Swiss law is applicable.

#### 3. Content of the contract

- 3.1. All sales are concluded only for specific delivery dates, quantities, articles, qualities and prices.
- 3.2. Block orders are permissible and can be determined separately.
- 3.3. Re-dispositions within the scope of a placed order are only possible by prior mutual agreement. In particular, unilateral cancellation of orders is not permitted without such explicit consent.

#### 4. Definition of terms

- 4.1. Seller: weba Weberei Appenzell AG
- 4.2. Buyer: All customers who buy fabrics from weba Weberei Appenzell AG
- 4.3. Days: Days are working/business days of Switzerland.

### II. TERMS OF DELIVERY

#### 5. Delivery

- 5.1. The delivery of the goods shall take place as agreed with the Buyer, on the basis of the Incoterms applicable. The standard delivery term is "ex works".
- 5.2. If reception and acceptance of the goods does not take place by the Buyer in due time due to the fault of the Buyer, the Seller shall have the right, at his discretion, after setting a grace period of (10) days, to either issue an invoice or to withdraw from the contract and to claim damages.

#### 6. Surcharges

- 6.1. Surcharges may be levied for:
  - Small consignments
  - One-off items and specific productions that require a special effort and/or expenditures
  - Express productions or deliveries
  - Deliveries from stock

These surcharges can be applied cumulatively.

- 6.2. The surcharge is to be borne by the initiator.

#### 7. Seller's default in delivery (except single item orders)

- 7.1. The Seller and Buyer contractually determine the delivery date. The delivery date shall be deemed binding if the Seller or Buyer fails to notify the Seller or Buyer otherwise within two (2) days after receipt of the order or the order confirmation. In the event of an objection within 2 days, a new delivery date may be agreed.
- 7.2. If indications of a possible delay in delivery arise, the Seller is obliged to inform the Buyer immediately. In this case, the

delivery period shall be automatically extended by eighteen (18) days ("subsequent delivery period").

- 7.3. The subsequent delivery period shall be deemed to be a fixed date within the meaning of Art. 108 No. 3 of the Swiss Code of Obligations.
- 7.4. In the event of force majeure, labor dispute actions, official administrative measures and operational disruptions for which the Seller is not responsible and which have lasted or are expected to last longer than one (1) week, the delivery deadline shall be extended without further ado by the duration of the hindrance, but by no more than five (5) weeks plus the subsequent delivery period. The extension shall not take effect if the other party is not notified of the reason for the impediment as soon as it becomes clear that the aforementioned deadlines cannot be met.
- 7.5. Claims for damages are excluded in the aforementioned cases (7.2/7.3/7.4).

### III. QUALITY AND NOTICE OF NON CONFORMITY

#### 8. Under- and overdeliveries

- 8.1. Under- and over-delivery of 5% per article and item are allowed.

#### 9. Quality requirements and controle

- 9.1. The inspection of goods is carried out on the inspection table at a speed of 30 m/minute.
- 9.2. Number of defects: For 1st choice goods with 20 defects per 100 m are standard.
- 9.3. Defect marking is done on the right side selvedge with colored stickers.
- 9.4. Small defects, <10 cm in the direction of the weft, are marked with green stickers and 10 cm are compensated. Medium defects, greater than 10 cm in the weft direction, are marked with yellow stickers and 40 cm are compensated. Length defects are marked with a red sticker at the beginning and at the end. The length of the defect is compensated.
- 9.5. All meters compensated are indicated on the piece label. Only net meters will be invoiced.

#### 10. Notice of defects

- 10.1. The Seller has the duty to inspect the goods sufficiently before dispatch.
- 10.2. Obvious defects shall be deemed to have been notified in due time if they are asserted within four (4) days after receipt of the goods. The goods may not be further processed (this means the goods may not be cut or otherwise treated) prior to the notification of defects to the Seller. The provisions of the Swiss Code of Obligations shall apply to hidden defects.
- 10.3. Customary or minor, technically unavoidable deviations in quality, colour, cut, weight, equipment, designs and model may not be objected to in the case of delivery of goods in conformity with the contract.
- 10.4. The Buyer may not return the goods to the Seller without sufficient justification or prior agreement.

### III. TERMS OF PAYMENT

#### 11. Payment

- 11.1. Invoices are due and payable according to the agreement between Buyer and Seller, net from the date of issue of the invoice. Standard payment term is 30 days, net..

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- 11.2. The date of the postal deposit or the date of the Buyer's payment order to the his bank shall be decisive for compliance with the payment deadlines and the entitlement to a discount (Sconto), if any. If the last day of the payment period falls on a Saturday, Sunday or public holiday, the payment may be executed on the next following working/business day.
- 11.3. Unjustified discounts (Sconto) are to be reclaimed from the debtor.

## **12. Delayed payment**

- 12.1. If payment is made after the due date, interest on arrears shall be payable at a rate of three (3) % above the discount rate of the Swiss National Bank applicable at the time of invoicing, but at a minimum of five (5) %.
- 12.2. The Seller shall not be obliged to make any further delivery under any current contract before full payment of any invoice amounts due, including interest on arrears.
- 12.3. If the Buyer is in arrears with a due payment or if there is a significant deterioration in his financial capabilities, the Seller may demand advance payment before delivery of the goods for deliveries still outstanding from any current contract, with the payment term being waived.

## **13. Payment method**

- 13.1. Payment must be made by bank or postal transfer
- 13.2. Offsetting of invoices is only permissible with undisputed or legally established claims with prior approval by the Seller. The retention of invoice amounts due is not permitted. Other deductions are not permitted.

## **14. Ownership reservation**

The delivered goods shall remain the property of the Seller until payment has been made in full. However, the Buyer may sell the goods in the ordinary course of business.