

GENERAL TERMS AND CONDITIONS FOR THE TRANSPORT OF OBJECTS OF ART (2006)

These general terms and conditions (called "GTC" below) govern the rights and obligations of the consignor, as well as of Welti-Furrer Fine Art AG (called "WF" below), with regard to the transport of objects of art and/or antiques (called "objects of art" below).

1 PREFACE

- 1.1. WF undertakes the transport of objects of art according to the provisions set forth below and in return for payment of the remuneration agreed upon.
- 1.2. The transport order which has been signed by both parties, as well as these GTC's, serve as a basis for the transport of objects of art. In the event of contradiction, the terms of the transport order shall have prevalence.
- 1.3. In addition, in Inner-Swiss traffic the provisions of the Swiss Law of Contract (OR) on the freight transport shall apply.
- 1.4. For border-crossing transport the provisions of the Contract of Carriage agreement on international road haulage (CMR) is applicable.
- 1.5. These GTC's shall not be applicable for the storage of objects of art. In this context the special "General Terms and Conditions of Storage for Objects of Art" shall apply.
- 1.6. These GTC's shall also not be applicable for the transport/manipulation of the objects of art outside the territory of Switzerland and Liechtenstein.

2 CONCLUSION OF THE CONTRACT

- 2.1. WF has the right to refuse the transport of objects of art without the obligation of stating the reasons for such refusal. This refusal must occur at the latest immediately before the acceptance of the objects of art. Under no circumstances shall WF be held liable for damages resulting from such refusal, unless written assurances to this effect have been made by WF in the transport contract.
- 2.2. The consignor is obliged to provide WF with complete and correct data on the objects of art to be transported. This includes, but is not limited to in particular quantity, declaration, condition, estimated or current market value, ownership and third party entitlements. WF is to be notified in writing of any changes thereto during the transport. In addition, the consignor shall inform WF in writing of any change in his or her domicile.
- 2.3. For WF, as a general rule the data set forth in the transport contract are binding. WF is not obliged, but is entitled, to check said data. In the event of the data made by the consignor being incomplete or incorrect, any liability of WF shall be reduced (cf. 4.3 and 4.6(h)).
- 2.4. WF does not guarantee specific delivery dates unless they have been agreed upon in the transport contract.

3 EXECUTION

- 3.1. On the takeover of the objects of art WF will check only the outside condition, as well as the quantity. Any checks of the objects of art beyond the foregoing to which WF is entitled have no effect on the liability of WF.
- 3.2. On receipt/handover the objects of art will only be weighed if the consignor expressly requires such weighing, if it is necessary for customs procedures or if WF deems it to be necessary.
- 3.3. If the recipient or his agent refuses the acceptance of the objects of art, if he cannot be contacted or if he refuses payment of the charges with which they are encumbered, or if the shipment cannot be delivered for reasons for which WF cannot be held responsible, WF is entitled to store the objects of art at the cost of the consignor/recipient, to transport them back to the consignor or to sell them on the open market.
- 3.4. With reservation to a special contractual provision WF is not obliged, but is entitled to pay storage fees, customs duties, taxes etc. for the account of the consignor. In this regard WF is entitled to rely on the data provided by the consignor. The consignor is liable for all consequences resulting from incorrect declaration, including taxes, customs duties, fines and penalties.
- 3.5. The freight costs agreed by WF are normally a lump sum which covers the entire transport. Additionally incurred costs (customs duties, storage fees etc.) are to be remunerated by the consignor separately, in addition to any deferral interest and a processing fee. In this context the countersigned transport order constitutes recognition of a debt by the consignor. The consignor shall remunerate the amounts expended by WF, in addition to any deferral interest and a processing fee.
- 3.6. The consignor is responsible for the objects of art being correctly marked and properly packed and for the recipient's address being correctly noted in the transport order and marked on the objects of art. In the event of contradictions in the recipient's address, WF is entitled to deliver to one of the recipient's addresses given and shall not be held liable for any and all delays, disadvantages, damages or losses ensuing therefrom.
- 3.7. On receipt, the recipient with entitlement of disposal shall inspect the objects of art, their condition and quantity, and shall report in writing externally discernable deficiencies and defects immediately and concealed deficiencies within 8 days after the handover. In the event of neither deficiencies nor defects being reported by these dates, all claims against WF are forfeited.
- 3.8. In addition, all claims against WF fall under the statute of limitations of one year following the delivery of the objects of art to the recipient entitled to dispose of said objects.

4 LIABILITY

- 4.1. Versus the consignor WF undertakes to execute the transport in conformity with the contract and with due diligence.
- 4.2. If transports are made inside Switzerland across borders by other forwarders, WF only has to ensure that an appropriate forwarder has been selected and instructed in a reasonable manner.
- 4.3. WF is liable only for damages which have verifiably been caused by the intent or by the gross negligence of WF. In the event of data not being available on the value, or in the event of the available data being incorrect, the value will be assessed by WF, but is in any case limited to a maximum total of CHF 50,000.--
- 4.4. In the event of loss of the objects of art WF is liable for the value of the lost objects, but up to a maximum of the declared value.
- 4.5. For carrying out the transport order WF is authorized to call in helper personnel and intermediate forwarders. If a damage is caused by a helper or an intermediate forwarder, WF is only liable insofar as WF was verifiably negligent in exercising due diligence in the selection and instruction. In any case the liability is limited to the declared value.
- 4.6. Moreover, WF's liability is excluded in the following cases:
 - for damages caused by force majeure, strikes, events relating to war and similar instances;
 - for objects of art which are fragile and inappropriately packed;
 - for small objects which were handed over unpacked;
 - for the contents of crates, baskets, cabinets, drawers or other containers, unless WF has a special listing, the packing was done or inspected by WF and a special written agreement to this effect is in force;
 - for gluing and veneering solvents, scorings, dents in furniture, breakage of disintegrating furniture, as well as for the consequences of temperature fluctuations or the influence of moisture;
 - for rust, mouse, rat and moth, wood worm, mildew damages;
 - for internal damages of objects with an intact external appearance;
 - for the consequences of false data;
 - for indirect damages, consequential damages, deferral damages, loss of profit, claims for reduction in value, non-compliance penalties, etc.;
 - for circumstances for which WF, despite the exercising of due diligence, was not able to influence and the consequences of which it was not able to avert.
- 4.7. The due diligence of WF extends only to the transport of the objects of art to WF facilities with appropriate transport means, but not to special precautionary measures and the treatment of the objects of art during the transport, unless an express written agreement has been made in this regard.
- 4.8. In any case the liability of WF starts earliest with the takeover of the objects of art, and ends at the latest with the handover, or with a handover which has been thwarted by the recipient or made impossible for reasons for which the consignor can be held responsible, to the consignor or to a recipient designated by the consignor. If

the consignor/recipient does the loading and unloading him- or herself, WF shall not be held liable in any way for such actions nor for any action up to or starting from this time.

- 4.9. The consignor is liable for all damages caused to WF or third parties by the transport.

5 INSURANCE

- 5.1. WF only concludes insurance for the objects of art only if requested in writing by the party storing the objects. The value declared by the consignor is taken as the insurance value. In the event of damage this value must be verified by the beneficiary. The pertaining insurance premiums will be invoiced to the consignor.
- 5.2. In the event of a change in the objects of art in terms of quantity or value, at the written request of the consignor the insurance sum will be adjusted accordingly. Any disadvantages ensuing from an adjustment of the value which was not reported or not reported on time to WF shall be borne solely by the consignor.
- 5.3. If the consignor does not issue WF an order to conclude an insurance policy, WF proceeds on the assumption that the objects of art are adequately insured by the consignor or by a third party. In this case, in the event of any damage WF is exempt from any and all liability.
- 5.4. In each case of damage the consignor is only entitled to indemnity to the extent that on the basis of the respective insurance conditions the insurance company makes compensation, with deduction of any claims to which WF is entitled versus the consignor. Any further liability of WF which acts merely as a mediator between the consignor and the insurance company is therewith excluded in full.

6 RIGHT OF RETENTION, COLLATERAL AND OFF-SETTING

- 6.1. WF has a right of retention on the objects of art and on an amount deposited in accordance with art. 451 of the Law of Contracts (OR) pursuant to art. 895 ff. of the civil code (ZGB).
- 6.2. Moreover, WF has a contractual collateral holding right on the objects of art in its power of disposition for the purpose of covering all claims ensuing from any legal title to which it is entitled.
- 6.3. The assignment of the objects of art to third parties has no effect on the right of collateral and retention claims of WF to the objects of art.
- 6.4. Claims for indemnity due to unfounded refusal of handover of objects of art shall be null and void in their entirety.
- 6.5. The consignor expressly renounces offsetting WF's claims for freight costs and recompense for eventual additional work with any and all counter-claims.

7 GENERAL PROVISIONS

- 7.1. Any changes and additions to the transport contract and these GTC's must be in written form.
- 7.2. WF reserves the right to revise these GTC's at any time. These changes will be notified to the consignor by circular letter, or in another appropriate way, and if not objected to by the consignor within a month will be construed as having been approved.
- 7.3. WF is entitled but not obliged to receive orders, instructions or communications of the consignor by telephone, fax, email, SMS or similar means of communication, or to react to such communications. Orders, instructions or communications of the consignor thus transmitted take effect only if WF confirms in writing to the consignor that the order will be executed, the instructions accepted or the communication taken note of. Contradictory written agreements are reserved.

8 PLACE OF PERFORMANCE, VENUE AND GOVERNING LAW

- 8.1. The place of performance and exclusive venue for the arbitration of all disputes in connection with the transport is Zürich. The place of performance is also the collection venue for consignors with headquarters/residence abroad. WF also has the right to file suit against the consignor at a court of any jurisdiction.

9 Exclusively Swiss substantive law shall apply.