

**Art. 1 General/Scope of Application**

- 1.1 Our Terms and Conditions of Purchase (our "Terms and Conditions") shall apply exclusively; terms and conditions of the Supplier which conflict with or deviate from our Terms and Conditions will not be recognized by us unless we have expressly agreed in writing that they shall apply. Our Terms and Conditions shall apply even where we accept delivery by the Supplier without reservation despite being aware of terms and conditions of the Supplier that conflict with or deviate from our Terms and Conditions.
- 1.2 All agreements made between us and the Supplier for purposes of performance of this contract must be set forth in writing in this contract.
- 1.3 Our Terms and Conditions shall also apply to all future business transactions with the Supplier.
- 1.4 Our Terms and Conditions shall only apply towards businesses and businesspersons within the meaning of Section 310 Para. 1 BGB [German Civil Code].

**Art. 2 Offers/Offer Documents**

- 2.1 The Supplier has a duty to accept our order within a period of two weeks.
- 2.2 The placing of orders and the calling-forward of deliveries as well as any amendments or additions thereto can be done by means of remote data transmission or by machine-readable data carriers. Correspondence must be conducted with the ordering Purchase Department only. Services provided or deliveries effected without a written order will not be recognized.
- 2.3 No remuneration or compensation will be paid for visits or for the preparation or elaboration of offers, projects and such like. We reserve ownership of and copyright to illustrations or drawings and calculations and other documents; except with our express written consent, none of the foregoing may be made accessible to any third party. They may be used exclusively for the purposes of production pursuant to our orders and after completion of the order/preparation of the offer must be returned to us without any request to this effect on our part being necessary. They may not be disclosed to any third party for as long as and in such scope as anything contained in them has not already been published and/or is published without our doing.

**Art. 3 Prices/Terms and Conditions of Payment**

- 3.1 The agreed prices are firm prices. Where no prices are stated, the Supplier's current list prices with the deductions and discounts customary in the trade shall apply. In the absence of any written agreement to the contrary, the price shall include delivery "Franco domicile" as well as packing. Where, exceptionally, packing is charged to us as an additional invoice item, we shall have the right to return such packing which is in re-usable condition to the Supplier carriage paid, in return for which we shall receive a refund of 2/3 of its value as stated in the invoice. Where, exceptionally, it has been agreed that packing costs and/or packing hire costs may be charged to us, they must be invoiced to us at cost price. We reserve the right to make an appropriate deduction on payment of the invoice in cases where packing costs or packing hire costs which have been charged to us are evidently excessive. The Supplier will be held liable for any damage resulting from deficient packing.
- 3.2 Value added tax at the statutory rate is included in the price but must be shown in invoices as a separate item.
- 3.3 Invoices must be sent to us in duplicate at the same time as shipment of the goods, but under separate cover. The order number and order date must be stated in each invoice. The Supplier will be held responsible for all the consequences arising from failure to comply with this requirement unless he can show that he was not responsible for such failure. Authoritative for payment shall be our determination of the actual quantities, weights or whatever other units of measurement may be employed. In the case of payments made to other countries, we reserve the right to effect them either in EUROS or in foreign currency.
- 3.4 In the case of any defective delivery, we shall have the right to withhold a proportionate share of the payment until such time as the contract has been properly performed.
- 3.5 Except agreed otherwise in writing, the standard payment condition of the purchase price is 90 days counting from the date when cargo is physically on board (FOB) and receipt of invoice and relevant documents proofing FOB Status (e.g. custom declaration, etc). The standard payment rhythm is every Tuesday and Thursday except public holiday. Payments will be done in the upcoming payment-run after fulfilling the payment condition of 90 days. Payment will be effected by means of payment of our choice.
- 3.6 Except with our prior written consent, which may not be unreasonably withheld, the Supplier may not assign his claim against us or have it collected by third parties.
- 3.7 We may avail ourselves of rights of offset and withholding within the scope permitted by law.

**Art. 4 Marking of Goods**

- 4.1 The Supplier shall mark the delivery items in the manner specified by us or in any manner as may be additionally and separately agreed. The Supplier may supply delivery items which are furnished with a mark which is protected for our use or in any corresponding get-up or which are packed in our original packaging exclusively to us or to third parties specified by us. Should goods marked in the aforesaid manner be rejected as faulty, the Supplier must render them as un-utilizable at his own expense.
- 4.2 In the event of any breach of any of the foregoing obligations, we shall have the right to repudiate the contract and to demand the restitution to us of anything acquired through the breach or compensation for the loss or damage sustained by us.

**Art. 5 Delivery Time**

- 5.1 The delivery time stated in the order is firm. Authoritative for compliance with the delivery date or delivery time is receipt of the goods by us.
- 5.2 The Supplier has a duty to inform us without delay in writing should any circumstances occur or appear likely to occur which would cause an agreed delivery time to be unable to be met.
- 5.3 In the case of any delay in delivery, we shall be entitled to the claims provided for in the law. All events of a force majeure nature as well as all measures in connection with labor disputes, in particular strikes and lockouts, shall release us from our contractual obligations for as long as they persist. We shall, in particular, after allowing reasonable time and such time having elapsed without delivery being effected, have the right to claim compensation in lieu of performance and to repudiate the contract. Should we claim such compensation, the Supplier in his turn shall have the right to show that he was not responsible for the non-compliance.
- 5.4 In the case of delivery being made to us at an earlier time than agreed, we reserve the right to return the shipment at the Supplier's expense. If no such return is effected in the case of early delivery, we shall store the goods on our premises for the account and risk of the Supplier until the agreed delivery date. We shall have the right to charge a storage fee and the costs of warehousing and fire insurance. We shall, however, have no duty to insure the goods.
- 5.5 Should we be prevented from taking delivery due to circumstances which, despite all reasonable care, we are unable to avert (disruptions to business, strikes, lockouts), the time of taking delivery shall be deferred by the duration of the impediment. If due to circumstances of the aforesaid kind we are prevented for more than six months from taking delivery, we shall have the right to repudiate the contract without this giving rise to any claims against us.
- 5.6 We will accept part-deliveries only by express prior agreement. Where part-shipments have been agreed, the outstanding quantity or volume must be stated in the delivery note. In the case of purchase contracts for the delivery of goods on call, without any fixed delivery date, the goods must be delivered at the place of reception or dispatch within 8 days. After this time, the Supplier will already be deemed to be in default without any need for the allowance of additional time.

**Art. 6 Delivery and Delivery Addresses**

All shipments must be accompanied by a delivery note, in duplicate, stating our order number and article numbers. The delivery note must also state the gross and net weights. In the case of part-deliveries, the outstanding quantity or volume must also be stated. An advice of dispatch must also be sent to us under separate cover. The goods must be delivered to us on the agreed warehousing devices. Each warehousing device must be labelled by the Supplier with the order no., article no. and quantity. Goods not supplied to us in the specified manner may be repacked or labelled at the Supplier's expense.

**Nassau:**

Leifheit AG

Leifheitstraße, 56377 Nassau/Lahn

Rail and express station: 56377 Nassau/Lahn

**Zuzenhausen:**

Leifheit AG - Werk Zuzenhausen

Friedrich-Ruschitzka-Straße 1, 74939 Zuzenhausen

Telephone: +409-6226-520

<b>Reception of goods:</b>	Nassau Plant	Zuzenhausen Plant
Monday – Thursday	7.00 – 14.30 hrs.	7.00 – 15.30 hrs.
Friday	7.00 – 11.00 hrs.	7.00 – 13.30 hrs.

Deliveries arriving outside of these times will not be accepted.

**Art. 7 Passing of Risk/Documents**

- 7.1 The risk of shipment until delivery is taken by us shall be borne by the Supplier.
- 7.2 In the case of express delivery made on our request, only the difference between the freight and the express costs may be charged.

**Art. 8 Inspection for Defects/Liability for Defects**

- 8.1 We have a duty to inspect the goods within a reasonable time for any non-compliance in terms of quality and quantity. A notice of defects shall be deemed to have been made in good time if it is received by the Supplier within 5 working days counting from receipt of the goods or, in the case of hidden defects, from discovery of the defect. We shall have the right to conduct inspection on a random sample basis and, without prejudice to any other claims we may have, in the event of the AQL values being exceeded to reject the goods altogether or to inspect all of them for the cost and risk of the Supplier and to demand replacements for the items which are defective. In this case, the Supplier agrees to waive the protest of late notification of defects discovered. If, due to circumstances for which we are not responsible, our notice of defects should be made later than that provided for herein, it shall nevertheless be deemed to have been made in good time.
- 8.2 We may claim the benefit of all available statutory claims for defects; we shall in all cases have the right to demand, at our option, that the Supplier remedy the defect or deliver a new item. We also expressly reserve the right to claim compensation, and in particular compensation in lieu of performance.
- 8.3 We shall have the right to effect remedy of defects ourselves in the event of danger through delay or in the case of particular urgency or if despite the allowance of a reasonable short time the Supplier is himself not in the position to remedy the defect or provide a replacement in good time. The Supplier must be notified accordingly without delay.
- 8.4 The period of limitation is 36 months, counting from the time at which the risk passed.
- 8.5 The Supplier warrants that all items delivered by him and all services provided by him are in compliance with the latest state of the technical art, the relevant legal provisions and the regulations and guidelines of public authorities, employers' liability insurance associations ["Berufsgenossenschaften"] and professional associations. Should any deviation from these regulations be necessary in any particular case, the Supplier must obtain our written consent thereto. Should the Supplier have any concerns about the mode of order execution desired by us, he must inform us thereof without delay in writing.
- 8.6 The specification of limit values for hazardous substances pursuant to Ökotex Standard 100 as the minimum quality requirement for textiles must be met in the latest version of the Standard in force from time to time and be certified prior to delivery of the respective finished products or raw materials and supplies.
- 8.7 In like manner as set forth in (6), a certificate pursuant to the latest version of the German Life Commodities Ordinance [Bedarfsgegenständeverordnung] must be furnished for azo dyes.

**Art. 9 Product Liability/Indemnification/Liability Insurance**

- 9.1 If and insofar as the Supplier is responsible for a product claim, he has a duty to indemnify us, on our first demand, against the claims of third parties for compensation insofar as the cause lies within his sphere of control and organization and he himself has liability towards third parties.
- 9.2 Within the scope of his liability for claims within the meaning of 9.1 above, the Supplier also has a duty to refund any expenses pursuant to Sections 683 and 670 BGB and Sections 830, 840 and 426 BGB arising from or in connection with any product recall measure conducted by us. We will, to the extent possible and reasonable, inform the Supplier of the nature and extent of the product recall measures to be carried out and give him the opportunity to respond. This shall have no effect on any of our other statutory claims.
- 9.3 The Supplier undertakes to maintain product liability insurance with cover of Euro 10 million – lump sum – per personal injury/property damage claim; in cases where we are entitled to make further claims for compensation, such claims shall remain unaffected by the foregoing.

**Art. 10 Proprietary Rights**

- 10.1 The Supplier shall be liable in accordance with statutory regulations for ensuring that no rights of third parties (in particular patents and registered designs) are infringed by or in connection with his deliveries.
- 10.2 Should any claims be asserted against us by any third party on account of any such infringement, the Supplier shall within the scope of Para. (1) have a duty to indemnify us against such claims on our first demand; we are not entitled, except with the consent of the Supplier, to make agreements of any kind with the third party concerned, and in particular to conclude a composition or compromise settlement.
- 10.3 The duty of the Supplier to indemnify us shall apply to all expenses necessarily incurred by us through and in connection with assertion of claims against us by a third party.
- 10.4 The limitation period shall be 36 months counting from conclusion of contract.

**Art. 11 Supplier's Reservation of Title**

On acceptance of the goods by us, title to them shall pass to us. A current account reservation on the part of the Supplier is excluded. An equivalent exclusion shall be deemed agreed as soon as we have placed the goods into the production process. Should the Supplier make justified use of his reservation of title against us, we shall have no liability for any diminution in value of the goods that may have occurred or for any loss of profit.

**Art. 12 Advertising/Sales Promotion**

- 12.1 Designs, layouts, drawings etc. must be produced by the Supplier in such a way that they do not need to undergo visual changes on or during realization (i.e. proper perspective, correct relative proportions, correct depiction of colors to the extent technically possible).
- 12.2 Lithography work must in all cases be submitted on the material that corresponds to the final print.
- 12.3 In the case of proof copies, all color wedge, punch, typesetting and print formats and trimming and register marks must also appear on the proof. Fine data shall be deemed the property of the client and must be surrendered to the client if so requested. Data carriers must be created using the latest software (DOS, WINDOWS, MAC OS).
- 12.4 In the case of offers for printing work, samples of the proposed materials must always also be supplied. Before the go-ahead for printing production runs is given, final proofs corresponding in all details to the finished product must be furnished.
- 12.5 All advertising products must be packed individually and in manageable units. The article identification (No.) must be shown clearly visibly on the outside. The euro pallet dimensions (B80 cm, L120cm) must be complied with. A height of 175cm may not be exceeded.

**Art. 13 Origin**

Where the goods produced for us by the Supplier are needed for export, the Supplier has a duty to issue a written declaration, using a form specified by us, concerning the origin of the delivered items for customs purposes. This declaration must be furnished to us not later than the first delivery. The origin of new delivery items or any change in origin must be notified to us without delay. The Supplier will be held liable for all consequences through failure by the Supplier to issue his declaration in the need form or in time. If necessary, the Supplier must substantiate his information concerning the origin of the goods by adding documents confirmed by the customs office having jurisdiction for him.

**Art. 14 General Provisions**

- 14.1 Except as may be expressly agreed otherwise, the place of performance for the delivery obligation is the delivery address or place of use specified by us; for all other obligations of both parties, the place of performance is Nassau.
- 14.2 The exclusive legal venue for all and any disputes arising from this contract, including legal actions relating to cheques or bills of exchange, is Nassau.
- 14.3 The law of the Federal Republic of Germany shall apply; application of the UN Convention on Contracts for the International Sale of Goods is barred.
- 14.4 Should any of these provisions become invalid, all the other provisions shall nevertheless remain in full force.