

## Terms and Conditions of Fashion Pool GbmH

1. These terms and conditions shall apply exclusively for any and all contracts concluded with a entrepreneur as defined in § 14 of the German Civil Code (BGB) ("Customer"). Terms and conditions of purchase that conflict with, or deviate from, these terms and conditions shall only be implemented if we expressly confirm them in writing.
2. The following conditions of payment shall apply: less 2% discount for payment within 10 days of invoice date, 30 days strictly net. Deliveries from orders with a new business relationship shall generally only be effected under the payment terms of 30% of the order amount after confirmation of order and 70% of the order amount prior to delivery. The same shall apply to customers concerning whom we have received a refusal on the part of our credit insurance. These payment conditions are valid if no other agreement .
3. Our prices shall be subject to statutory VAT applicable at the time of delivery or performance.
4. If the customer is in default with payment, we shall be entitled to charge default interest in the statutory amount. We reserve the right to assert further claims.
5. If Customer fails to take delivery of the goods, we shall be entitled to assert a compensation claim in the amount of 30% of the purchase price, unless Customer proves to us that no losses at all were suffered or that the losses are significantly lower. The right to assert further claims is reserved.
6. If, after conclusion of contract, we become privy to circumstances leading to the conclusion that Customer's financial situation is deteriorating (unfavourable information, objections to bills of exchange and cheques, slow payment, filing of petition for or commencement of insolvency proceedings etc.) and our claim for payment is at risk, we shall be entitled to withhold shipment of the goods until the customer itself provides reasonable security or satisfies our claim for payment in full, or reasonable security is provided by a third party or such third party satisfies our payment claim in full.
7. Bills of exchange, cheques and other payment instruments will only be accepted on account of performance. Performance shall only occur upon final credit of same. All charges for bills of exchange and discounting including all possibly incurring fees and collection costs shall be borne by the customer. The term of the bill of exchange generally shall be maximally 60 days.
8. In the case of a defect, we shall perform subsequent remedy at our discretion by way of new delivery of defect-free goods or repair of the defective goods. If the subsequent remedy fails, Customer shall be entitled to withdraw from the contract. The right to price reduction shall be ruled out. If Customer suffers losses due to the defect, the provisions under Clause 9 shall be applicable. We shall be liable for defects for a period of 12 months as of delivery. This shall not apply in the case of intent or gross negligence or as the result of a defect culpably causing injury to life, limb or health; in such cases, the statutory periods shall be applicable in terms of the limitation period relating to the claims for defects.
9. We shall be liable in the case of intent and gross negligence in the case of culpable injury to life, limb or health and in the case of liability pursuant to the German Product Liability Act (*Produkthaftungsgesetz*) in accordance with the statutory provisions. In the case of simple culpable breach of a material contractual duty, that is, of a duty in terms of which Customer regularly relies on the fact that it will be properly fulfilled – and, in terms of proper performance of the contract – can expect to rely, we shall be liable on the merits, such liability however being limited to typically incurring, foreseeable losses. Any further liability shall be excluded. to the extent our liability is excluded or limited, this shall also apply to the personal liability of our executive bodies and vicarious agents.
10. Set-off on the part of Customer or the assertion of rights of retention shall only be admissible in conjunction with undisputed counterclaims or counterclaims that have been become *res judicata*.
11. The delivered goods shall remain our property until receipt of all payments under the business relationship with Customer. During the transacting of payments in terms of cheques and bills of exchange, reservation of title shall be upheld until the obligation assumed by us with issue of the bill of exchange has expired as a result of payment of the bill. By way of assignment of all receivables accruing to Customer from resale of the reserved goods against the buyer or buyers or against third parties, Customer shall be entitled to resell the reserved goods in the ordinary course of business. Even after their assignment, Customer shall be authorised to collect the receivables itself. Without prejudice hereto, our power to collect the receivables ourselves shall remain; we will only avail ourselves thereof if the customer is in default of its payment obligations. If we are entitled to collect, we may demand that the customer disclose to us any assigned receivables, their stocks and their debtors, that it provide us with all data required for collection and that it surrender the associated documents to us without delay and that it notify the debtors of such assignment in writing.  
  
Customer shall not be entitled to pledge goods or assign goods as security that are under reservation of title. In the event of enforcement proceedings of any kind, the customer shall be obligated to draw the attention of the creditors and the enforcement officers to our right. Customer is furthermore obligated to notify us of any enforcement measures that concern our property without delay so that, if applicable, we are in a position to file a third party action in opposition. Customer is obligated to send us a copy of the pledge report without delay.
12. The distributor commits to sell the contract products only to the manufacturer within the area specified by the manufacturer for a selective distribution system to deliver to authorized distributors as well as to end users. The authorized dealers are available on our homepage. On request, the contact details be communicated.
13. This agreement shall be subject to German law, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG). If Customer is a merchant, exclusive jurisdiction for any and all claims shall be the relevant seat of our branch. The same place of jurisdiction shall be valid if Customer does not have a general place of jurisdiction in Germany, relocates its domicile or usual residence from Germany after conclusion of the Agreement or its domicile or usual residence is not known when the claim is filed