

GENESIS

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GENERAL TERMS AND CONDITIONS OF GENESISDISPLAY GMBH (EUROPE)

1. CONTRACT TERMS

1.1. Our offers shall always be without obligation.

Offers or contractual agreements accepted by customers - even if made by our agents or sales representatives - shall only become binding after the agreement has been confirmed by us in writing. This shall, however, not apply to contractual agreements having a value of less than EUR 260.--.

The content of an order confirmation issued by us shall be binding unless contested by the purchaser within a term of one week (after the date of our order confirmation).

1.2. Understandings or supplements deviating from our order confirmation shall only become legally effective if they have been confirmed by us in writing.

1.3. Furthermore, a contract shall only come into existence if our following Terms and Conditions become effective without any restriction. For this reason, general terms and conditions of the purchaser deviating from these Terms and Conditions shall not be binding for us even if the purchaser takes them as a basis for his or her purchase order and we did not expressly object to them in a given case.

1.4. If a contract comes into existence according to clauses 1 through 3 the contract and these Terms and Conditions shall, in any other respect, remain binding even if individual parts of the Terms and Conditions are or become ineffective.

1.5. The minimum order value shall amount to EUR 80.--. For purchase orders of a value of less than EUR 80.--, an additional handling fee of EUR 30.-- shall be charged.

2. PRICES

2.1. Prices shall be prices ex works unless otherwise agreed upon in writing.

2.2. Prices for carriage paid deliveries shall be valid on the condition of an open and unhindered traffic on the transportation routes taken into consideration. If we have agreed upon a free delivery the freight costs as provided for in the contract shall be paid. Dead freights as well as additional costs for express freights shall be borne by the purchaser.

2.3. Any necessary packaging shall be charged at cost price.

2.4. The stipulated prices remain binding if the ordered goods or services must be delivered or rendered by us within four weeks upon conclusion of the agreement. Afterwards, we will be entitled to increase the stipulated price in the case of a difference to a) our production costs or b) the exchange rate in EURO for foreign currency transactions at the time of conclusion of the agreement and at the time of the delivery or rendering of services. This shall not apply if we fail to deliver the goods or render the services in due time.

3. DISPATCH, TRANSFER OF RISKS, OBLIGATION OF ACCEPTANCE

3.1. Any danger and the transport risk shall pass over to the purchaser at the time of delivery to the carrier or forwarding agent and in no case later than at the time when the goods leave the factory or warehouse; this shall also apply to FOB or CIF transactions.

3.2. We shall only be liable for a damage or loss of goods if we failed to pack the goods properly for the specific transportation route and manner and it can be evidenced that this failure was the cause of the damage.

3.3. In the event that the delivery of goods reported to be available for dispatch is not requested on the date agreed upon the risk shall pass over to the purchaser. We shall be entitled to request payment of the price as from the availability of the goods for dispatch and to charge storage costs. If we waive a payment request we shall, in addition to the storage costs, charge interest on the purchase price at a rate of 5 % above the basic interest rate set forth by the Federal Government as from the date of the goods' availability for dispatch. Storage costs shall amount to EUR 3.50 per cbm/month of the goods to be delivered.

4. DELIVERY TERM

4.1. The delivery date agreed upon shall be stated in the order confirmation. The delivery term, however, shall not commence but after all details of contract execution have been clarified. If the purchaser asks for a change of the purchase order said term shall start anew according to the confirmation of the change.

4.2. With respect to the observation of the delivery term, the notice of the availability of the goods for dispatch shall be decisive.

4.3. In the event that the delivery term cannot be observed for reasons we cannot be made liable for (e.g. delays of supplies by third parties, lack of raw material, auxiliary material or energy, strikes or lockouts, Acts of God and the like) it shall be extended by the period during which such impediments continue to exist.

4.4. Delivery periods shall be suspended as long as the purchaser fails to settle any outstanding debts from other transactions.

4.5. In the event that the delivery term fails to be observed for reasons we are liable for the purchaser shall have the right to withdraw from the contract within a period of two weeks after the expiry of an adequate grace period to be granted by him or her in writing. This shall, however, not apply if we dispatch appropriate partial quantities prior to the expiry of the grace period. In the event of a delay, the purchaser shall only have the right of withdrawal from the contract unless intentional behaviour or gross negligence are involved; claims for damages shall in such a case be limited to 50% of the delivery value.

4.6. The purchaser shall not be entitled to refuse deliveries prior to the expiry of the delivery term or partial deliveries.

5. TERMS OF PAYMENT

5.1. Our invoices shall become payable without any deduction within a period of 30 days after date of invoice. If we receive payment within one week after invoice date we shall grant a cash discount of 2 %.

5.2. In spite of different stipulations, if any, of the purchaser, we shall be entitled to allocate payments received by the purchaser at first to the purchaser's older debts; we shall inform the purchaser about such a settlement. In the event that costs and interest have already arisen we shall be entitled to allocate the payment at first to the costs and then to the interest and at last to the principal debt.

5.3. A set-off or a retention right against our claim, irrespective of the legal basis, shall be excluded unless the counterclaim or the legal basis for the retention right has not been denied by us or has been determined with legal effect.

5.4. In the event that our claim has not been settled within a period of 30 days after date of invoice we shall, as from the due date, be entitled to charge interests at a rate of 5 % above the basis interest rate stipulated by the Federal Government plus value added tax, if any, without the necessity of a reminder and an evidence.

5.5. Cheques or bills of exchange for the settlement of our claims shall only be accepted as a conditional payment always provided that the purchaser bears all costs and expenses arising therefrom. A non-agreed presentation of a bill of exchange shall entail interest according to clause 4.

6. TITLE RESERVATION

6.1. We shall reserve proprietary rights to the delivered goods until all claims arising from the current business relationship have been settled in full.

6.2. The ordering party shall be obliged to treat the purchased goods with due care as long as proprietary rights to the goods have not passed over to him or her.

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The ordering party shall, in particular, be obliged to insure such goods at his or her own expense to a sufficient degree against theft, fire and water damage at their replacement value. If maintenance or inspection works must be carried out the ordering party shall be obliged to perform them in due time at his or her own expense. As long as proprietary rights to the goods have not passed over, the ordering party shall be obliged to inform us immediately in writing in the event that the delivered goods have been pledged or exposed to other interventions by third parties. As long as the third party is not able to reimburse the judicial and extrajudicial costs of an action according to Section 771 Code of Civil Procedure to us the ordering party shall be liable for the loss incurred by us.

6.3. The treatment and processing or restructuring of purchased items by the ordering party shall always be made on behalf of and upon order by us. In such a case, the vested right of the ordering party in the purchased goods shall continue to exist with respect to the restructured items. To the extent that a purchased item is processed together with other goods not belonging to us we shall, as from the time of processing, be deemed to have acquired the co-ownership of the new item in the proportion of the objective value of the item purchased from us to the other processed items. The same shall apply in the event of blendings or combinations. If items are blended or combined with each other in a way that the item of the ordering party is to be regarded as main item it is agreed upon that the ordering party will assign and transfer to us the co-ownership on a pro rata basis and that the sole ownership or co-ownership created this way shall be kept in custody for us by him or her. In order to secure our claims against the ordering party the ordering party shall assign to us also such claims he or she becomes entitled to against a third party if the goods subject to reservation are combined with real property; such assignment is deemed to have been accepted by us already now.

6.4. We undertake to release any securities we are entitled to upon request of the ordering party to the extent that their value exceeds the claims to be secured by more than 20%.

6.5. The purchaser shall be entitled to dispose of the goods within the framework of his or her ordinary course of business and, in particular, to process and sell them. Any claims which might arise for the purchaser against his or her own buyers in the event of a resale and which must be proven by him or her shall a priori be assigned to us step by step against receipt of the goods in the amount of the purchaser's liabilities towards us, to wit in the respective amount of the invoice value of the goods delivered by us subject to reservation of title.

6.6. In the event that we become aware of circumstances which could, in our opinion, have any kind of impact on the purchaser's creditworthiness assumed by us we shall be entitled to decide whether we want to withdraw from the contract or request an advance payment.

6.7. In case of a planned export delivery to countries where the title reservations provided for in these Terms and Conditions are, according to the national law of the state of import, either totally or partly not accepted we shall be entitled to request prepayment or payment by letter of credit or the provision of another sufficient security.

6.8. Assignments of claims our purchasers might have against us shall be excluded.

7. WARRANTY AND LIABILITY

7.1. If delivery is based upon a quotation accompanied by a sample or pattern such sample or pattern shall be decisive for the quality of the execution in terms of material, construction and equipment; in this connection, however, minor deviations due to serial production which do not reduce the product's quality to a significant degree shall not justify warranty claims. We shall not warrant the suitability of the goods for a particular purpose. In the event of faults resulting from statements or documents of the purchaser or from an execution of the order according to the purchaser's request or from the selection of material approved by the purchaser any and all warranty claims shall be excluded.

7.2. In any other respect, we shall accept liability for our deliveries and services according to the following provisions:

Faults or defects which are not insignificant shall, according to our own choice, be made up by us by way of repair or replacement delivery. Claims for rescission or reduction in price shall only be deemed to exist if, in our opinion, a repair or replacement delivery cannot be made. In the event that a repair or replacement delivery fails to be successful and if warranted characteristics fail to exist, the purchaser shall be entitled to request a reduction of the price or a cancellation of the contract. In the event of a lack of warranted characteristics, a right to claim compensation of damages in an amount of no more than 50% of the delivery value shall only exist if a reduction in price or a cancellation is objectively of no interest for the purchaser.

7.3. Warranty claims shall be excluded unless faults or defects are reported to us within a term of one week after receipt of goods and, in the event of hidden defects, within one week after the faults or defects have been discovered and the purchaser, to the extent requested by us, returns the goods claimed for to us without any delay with freight paid. Costs for the least expensive return shall be refunded if the notice of defect turns out to be justified.

7.4. Unless otherwise provided for in these Terms and Conditions, claims for damages of any kind and irrespective of their legal grounds shall be excluded. This shall not apply if the purchaser suffers from a damage due to a grossly negligent or intentional infringement of contract by our company bodies or the persons employed by us for the performance of obligations. In such a case, a claim for damages shall be accepted up to an amount not exceeding the delivery value.

8. INDUSTRIAL PROPERTY RIGHTS

8.1. The purchaser shall be obliged to respect our industrial property rights in goods and refrain from producing replicas of the goods or have them produced and the purchaser shall not use the goods for the production of samples or patterns.

8.2. For each case of infringement of the obligations set forth in clause 1, the purchaser shall pay a penalty of 50 times the invoice amount of the consignment, but not less than EUR 5,500.00 (in words: five thousand and five hundred Euros). The assumption of a continuation of offence shall be excluded.

8.3. In addition, the purchaser shall give us immediate notice if he or she becomes aware of replicas or productions of samples or patterns by third parties by using goods delivered by us.

9. DESIGNS AND TOOLS

9.1. Title to sketches, drafts, final artwork, originals, films, printing stamping or embossing tools etc. shall remain with the seller even if such items have totally or partly been paid for by the purchaser.

9.2. The retention periods for the sketches, drafts etc. mentioned in clause 1 shall be bindingly set forth by the seller in the order confirmation or otherwise in writing.

10. PLACE OF JURISDICTION AND APPLICABLE LAW

10.1. Place of performance shall be Rehren, place of jurisdiction shall be Hanover if the purchaser is a merchant entered as such in the commercial register (Vollkaufmann). We reserve the right to sue the purchaser at his or her general place of jurisdiction.

10.2. The applicable law for the contractual relationship shall be the German law even if the purchaser's place of business or the place of delivery is abroad.