

# General Standard Terms and Conditions of G-LAB GmbH, Düsseldorf

## **A. General terms**

1. The following General Standard Terms and Conditions are valid for all business relations and deliveries, decisive is always the valid version at the time of the contract conclusion.

2. Different, opposite or additional General Standard Terms and Conditions will, even under knowledge of them, not be a part of the contract, unless it is agreed to their validity in writing.

3. These General Terms and Conditions also apply to all future business with the Purchaser, even if they aren't agreed again explicitly.

## **B. Contract administration**

1. G-LAB is entitled to change models as a result of raw materials deliveries, manufacture requests or due to trendy or other factual justifiable, reasons, if and as far as such changes are reasonable for the Purchaser.

2. As of the time the goods are delivered to the bearer or the carrier the Purchaser carries the risk of loss, deterioration or damage of the goods. If the dispatch is delayed, on request or fault of the Purchaser, the goods will be stored at the expense and the risk of the Purchaser.

3. If G-LAB is responsible for a default in delivery, the compensation for the Purchaser is limited to a 0.5% for every concluded week of delay, but up to a maximum of 5% of the net invoice value, unless the delay bases on gross negligence or wilful acts of G-LAB.

4. Reasons of higher force enable G-LAB to postpone the delivery by the duration of the delays, or to withdraw from the contract with regard to the part which has not yet been performed, without this providing a basis for the Purchaser asserting any claim for damages. Force majeure shall be equivalent to all circumstances, to those which G-LAB cannot be made responsible for, as well as to those that make it for G-LAB impossible or unreasonably difficult to deliver; such as strikes, lockouts, mobilizations, wars, quasi-war conditions, blockades, importing and exporting bans, traffic bans, governmental measures, shortages of energy and raw materials, regardless of whether they involve us or one of our suppliers or sub-suppliers.

## **C. Rescission**

G-LAB is fully entitled to claim compensations, if and insofar as the Purchaser unjustifiably withdraws from the contract or if he refuses to accept the delivery, amounting to 50% of the agreed purchase price plus shipping, transportation and storage costs and all other additional costs resulting there from.

## **D. Warranty, Liability**

1. The Purchaser must give G-LAB the opportunity to verify the complaint, and make damaged goods and their packaging available for G-LAB in order to inspect them. G-LAB will be released from liability for defect if the Purchaser refuses that.

2. The return of the goods about which there have been complaints has always to be franco domicile for G-LAB. Such returns are accepted if they present the given Return Merchandise Authorization (RMA) on the occasion of the notice of defect or if the return can be assigned to a certain notice of defect by other means. Not such allocated return consignment will be returned on the expense of the returner.

3. Liability for defects shall be restricted to that G-LAB repairs or replaces, free of charges, all the pieces which are defective at passing of risk. Replaced pieces become the property of G-LAB.

4. G-LAB gives no warranty for damages that are caused through natural spoilage, unsuitable or incorrect use or treatment, excessive use or improper modifications or improvement by the Purchaser or by Third Parties.

5. Delivery of extraordinary items or eviction goods occurs always under exclusion of exchange or withdrawal rights, as well as warranty claims because of already known or evident defects.

6. Further reaching claims of the Purchaser, especially regarding compensation for direct or indirect damage – including collateral and consequential damages- against G-LAB, its legal representatives or vicarious agents - irrespective of their legal basis, are excluded, unless the damage is occasioned intentionally or through gross negligence of G-Lab's legal representatives or vicarious agents, or if it is based on a negligent breach of substantial contractual obligations through that person, in particular if it has led to damages of health and body.

This also applies as far as the Purchaser asserts direct claims against G-Lab's legal representatives or vicarious agents.

Any liability of G-LAB to pay damages, of the amount of the typically foreseeable damages, is limited to 50% of the invoiced value of the goods in the case of simple negligence of the legal representatives or vicarious agents of G-LAB. The same applies to direct claims against legal representatives or vicarious agents of G-LAB GmbH.

7. Any warranty claims of the Purchaser including the, under point 5.5, regulated compensation claims expire one year after delivery of the goods to the Purchaser.

## **E. Property Rights**

1. The Purchaser shall inform G-LAB provided that a Third Party claims infringements of industrial property rights or copyrights caused through goods delivered by G-LAB. Under no circumstances shall the Purchaser recognize an industrial property infringement, and all defense reactions shall remain reserved to G-LAB.

2. If the Purchaser changes or sells the goods in a way that infringes the property- or copyrights of a Third Party – including the addition of a trademark, the Purchaser shall be exclusively liable for such infringement and shall be obliged to exempt G-LAB from all there from resulting claims of the Third Party, irrespective their nature.

3. The Purchaser is not allowed to copy or imitate the goods that are delivered by G-LAB. The same applies to images or pictures in order documents or advertising material from G-LAB.

In case of breaches G-LAB can withdraw immediately all contractual relations, in particular open-ended purchase contracts.

## **F. Proprietary Rights**

1. All sales made from G-LAB to the Purchaser shall take place while reserving to G-LAB the ownership of these goods, until the full payment of all purchase price claims out of all contracts made by G-LAB.

2. G-LAB can revoke against the Purchaser the right of resale of the goods and take back the delivered goods if the Purchaser falls into arrears of payment, applies insolvency proceedings or if it transfers its expectant right on the conditional goods to Third Parties. The redemption of goods by G-LAB means no withdrawal from the contract, unless it is not declared in writing. G-LAB is allowed to sell the goods freely. The sales revenue is to be offset on the liabilities of the Purchaser less reasonable disposal costs.

3. The Purchaser shall treat the conditional goods carefully and insure them at the replacement value at its own expends. With this he transfers its compensation rights to G-LAB in the case of failure or damage of the conditional goods. In cases of garnishment of the conditional goods or

other measures taken by Third Parties, shall the Purchaser immediately inform G-LAB about it and make available all necessary documents required for an intervention.

## **G. Payment**

1. If the Purchaser arrears with the payment of earlier deliveries from G-LAB, or if, after conclusion of the contract, circumstances become known which reduce the creditworthiness of the client and endanger its obligation of payment, is G-LAB entitled to:

a. suspend outstanding deliveries and require the payment in advance for further deliveries of goods or demand the provision of other adequate securities.

b. withdraw from all contracts that are signed, but not yet performed, with the Purchaser after the unsuccessful expiry of a reasonable final deadline for the prepayment or provision of securities. Such a suspension of delivery does not cause any compensatory damages claims by the Purchaser against G-LAB.

c. The Purchaser can only offset against claims of payment from G-LAB with undisputed, legally valid, or such counterclaims, or justify a right of retention, which are based on the same contract relation.

d. Checks and bill of changes are only accepted on account of payment, and are only then accepted as payment after successful crediting – receipt cash value-.

## **H. Resale**

1. The Purchaser is obliged,

a. to sell the goods only from the stores' location declared in order and to present all materials, including publicity material relative to the goods exclusively in that store.

b. not to sell via Internet without the prior approval and authorization of G-LAB.

c. only to sell to the end consumer.

2. The Purchaser shall pay to G-LAB a contractual penalty to the amount of the net retail price in any case of infringement of any of the under point H.1 stated obligations. G-LAB remains entitled to claim for further damage.

3. G-LAB is entitled to withdraw from all contracts that have already been signed, but not yet performed, with the Purchaser, if the same continues infringing the obligations in spite of a written warning on the part of G-LAB.

## **I. Final provisions**

1. The laws of the Federal Republic of Germany shall be applied to all contracts with the Purchaser. The application of the UN Sales Convention is excluded for contracts with international customers.

2. The general period of limitation for claims from the Purchaser against G-LAB shall be one year from the moment of knowledge of the legal reason onwards, unless that the claims are based upon intention or gross negligence of G-Lab's legal representatives or vicarious agents, or upon negligent breach of essential contractual obligations through that person, in particular if it has led to damages of health and body.

3. The local jurisdiction of the head office of G-LAB shall be the exclusive place of jurisdiction for any dispute. G-LAB reserves itself the right to sue the Purchaser at its general venue.

4. The effectiveness of the remaining stipulations will not be affected in case that one of the stipulations of these General Terms and Conditions is, or becomes, ineffective.