

GENERAL SALE, DELIVERY AND PAYMENT CONDITIONS OF: A.G. TEXTILES B.V.

with its registered office and principal place of business at J.F. Vlekkeweg 4, 5026 RJ in Tilburg

1. General

- 1.1. These terms and conditions agreed between parties are expressly applicable to all offers on our part to - and all agreements with - and the deliveries ensuing therefrom to, work for and/or payment of our clients.
- 1.2. Derogations from these terms and conditions on our part for the benefit of our clients never implies on our part setting aside or waiver of these terms and conditions in other cases.
- 1.3. Derogations on our part from these terms and conditions are only binding on us if and in so far as expressly confirmed in writing by us.
- 1.4. Agreements and/or other arrangements - outside the oral or written order - with us and with our subordinate members of staff, are only binding on us of and in so far as these are further confirmed by us in writing.
- 1.5. In the event of conflict between these terms and conditions and those of our clients, these terms and conditions apply.

2. Tenders / offers

- 2.1. All offers are without obligation on our part, unless expressly stated otherwise.
- 2.2. All images, drawings, models, samples or examples with the measurements, colours, weight and quality, are represented as accurately as possible, but are only represented as an approximate and do not bind us.

3. Delivery and transport

- 3.1. Unless determined otherwise by agreement, we standard deliver ex-works.
- 3.2. Agreed delivery dates are stated by us as an approximate and do not bind us. In case of delivery not in time the buyer must give us notice of default in writing. Exceeding of the delivery date can ever, also not after notice of default, give rise to claim for compensation. Delivery in parts must be accepted by the client.
- 3.3. With regard to the quality, it applies that we in the absence of stating of clear special qualities, are only obliges to delivery of a normal and usual trade quality with normal and usual deviations with regard to measurements, unit weight, solidness and such qualities.
- 3.4. Besides, we are entitled to make technical changes to the goods manufactured by us or on our order bought by our clients in derogation from any agreed specifications, provided that the quality of the purchase not been negatively affected.
- 3.5. With regard to patterns and colours a wide margin of deviation from the sample or example is permitted, provided that according to objective aesthetic criteria the quality does not become inferior through this. In case of dispute in this respect parties will acquire the binding advice from an expert to be appointed by the Dutch Foundation Central Bureau of Textile Convention, on the request of either party, the unsuccessful party to pay the costs thereof.

4. Purchase

- 4.1. Our client is obliged to take immediate delivery of the matters bought as soon as we are able to deliver, unless agreed otherwise. If receipt by the client from our business has been agreed, then our client must be present at the point of time of the transfer or represented. If the client is not present or represented, then the transfer applies as having been accepted to the satisfaction of the client by the latter.
- 4.2. If as a result of not taking delivery of the matters these must be stored wholly or in part by us, then we are entitled to charge the necessary storage costs to our client. Not taking delivery does not suspend the payment obligation of our client. From the time of such storage the risk of the goods concerned is on the account of our client.

5. Prices

- 5.1. Agreed prices are based on the price basis of wages, raw materials, transport costs, insurance premiums, taxation, exchange rates, import duties and further factors determining prices, applicable on the day of the coming into effect of the agreement. If any increasing factors determining prices occur for the delivery, as mentioned in the opening words of this article, - also if such occurs as a result of circumstances, foreseen or foreseeable at the concluding of the agreement - we have the right at our discretion, to either charge a proportional increase to the client, or to cancel the agreement, without being obliged to any compensation of any damage.
- 5.2. Unless agreed otherwise, or as the case may be stated, all prices apply excluding VAT.

6. Payment

- 6.1. Payment must take place no later than within 30 days from the invoice date unless determined otherwise by us. In case of payment by giro or bank the date of crediting to our bank account applies as the day of payment.
- 6.2. Without express written permission from us our client is not permitted to set off his payment obligation toward us against a claim of his on whatsoever basis.
- 6.3. We are always entitled - also after the aforesaid coming into effect of the agreement - to claim payment in cash, or full or partial advance payment, or as the case may be sureties of another nature, to be determined by us.
- 6.4. Our client is obliged to pay interest of 1.5 % every four weeks or part of this period over all amounts, that have not been paid to us within the payment period set out.
- 6.5. In the event that the client does not fulfil his payment obligations in accordance with the payment terms, or in the event that the client in any other manner does not, in time or properly, fulfil his obligation toward us, he is in that case in default by operation of law and obliged, over and above that owed to us on that basis, to payment of all costs incurred by us with regard to the acquiring of payment and/or compensation, as well as the costs incurred by liquidation by the court, as well as extrajudicial costs. In that event we are also entitled to declare the agreement wholly or partially terminated and entitled to compensation of all damage and costs as described above or otherwise, without being obliged with regard to this to any compensation. Extrajudicial (collection) charges are owed by the client, in all events, when we have engaged a third party to assist in the collection. These costs are fixed at 15 % of the outstanding amount, running gradually in accordance with the collec-

tion rate of the Netherlands Bar Association, all this with a minimum of € 150.-. From the sole fact that we have engaged the assistance of a third party as stated here, the extent of and the obligation to payment of the extrajudicial costs are evident.

In the event of a petition for bankruptcy by us, the client owes over and above the principal sum, interest and extrajudicial costs as well as the costs of the petition of bankruptcy.

7. Complaints

- 7.1. Our client is obliged to in fact check the received matters and to report visible defects immediately and in writing, but no later than 8 days from receipt. Invisible defects must be reported immediately, this means no later than within 4 days from when they were noticed or reasonably could have been noticed, in writing and in any event within 2 months from receipt of the matters. In case of non-fulfilment of this obligation the right of our client to rely on a defective delivery lapses. Every right to complain lapses if the goods concerned about which a complaint is made, are already processed, cut, changed, soiled or otherwise in whatsoever manner have been used by our client.
- 7.2. If the packaging and/or the matter appear to be damaged, apparently through damage arisen during the transport, our client must note this on the consignment note and have the haulier draw up a delivery report before taking delivery of the matters and send the delivery report to us within 48 hours.
- 7.3. We must always be offered the opportunity in fact, to inspect the matters about which a complaint is made.
- 7.4. No complaint, claim or guarantee claim gives our client the right to suspend his obligations, to omit or deem to be lapsed.

8. Force majeure

- 8.1. If it appears before or during the performance of an agreement, that (further) performance of the agreement is not possible due to force majeure, or through force majeure or through external causes or circumstances, which cannot be attributed to us, considerably more onerous possible than was foreseeable at the entering into the agreement, we have the right, without being obliged to any compensation, to suspend the performance of the agreement, or to declare the agreement to be terminated.
- 8.2. "Force majeure" includes among other: All involuntary business interruptions or hindrances, such as storm damage and natural disasters, fire, hindrances by third parties, full or partial industrial actions, exclusions, riot, in the Netherlands as well as in the country of origin of the goods or raw materials, war or threat of war in the Netherlands or elsewhere in Europe, virtually general sickness of our employees, import or export prohibitions. Restrictive or hindering provisions of any authority in the Netherlands or elsewhere, none or not in time delivery of goods by our suppliers and further in general all circumstances, events, causes and consequences, that fall outside our control or power.

9. Liability / guarantee

- 9.1. Seller is only liable for damage suffered by buyer, which is the result of an attributable failure in the performance of his obligation or of an wrongful act, such not exceeding the amount of the purchase sum of the matter concerned. We are never liable for any other further damage suffered by the client or third parties.
- 9.2. Seller is not liable if the failure in the performance is the result of force majeure.
- 9.3. Seller is never liable for claims for defects, faults or damage arisen from improper use, omission of or bad maintenance, external violence, overburden, natural wear and tear of when repairs are carried out by third parties.
- 9.4. The limitations included in this article do not apply if the damage is the result of intent or gross negligence of seller or his superior employees, to be proven by buyer.
- 9.5. If a guarantee is provided on the goods delivered by us, such will expressly stated in writing. If such is not the case, then no guarantee obligation will apply. The guarantee extends in no case further than to the free delivery of new or similar goods. We are never liable for any other further damage suffered by the client or third parties.

10. Retention of title

- 10.1. All matters delivered by us remain the property of seller until the client has fulfilled all obligations under all agreements concluded with seller.
- 10.2. The client is not entitled to pledge or in any other manner encumber the matters subject to retention of title.
- 10.3. If third parties make an attachment to the matters delivered subject to retention of title or want to vest or enforce rights thereto, client is obliged to inform seller thereof as soon as can reasonably be expected.
- 10.4. The client is obliged to insure and maintain insured the matters delivered subject to retention of title against fire, explosion and water damage, as well as against theft and to provide the policy of this insurance for inspection.
- 10.5. The matters delivered by seller, that pursuant to the provisions of 1 of this article, are subject to retention of title, may only be sold on in the context of normal business operations and may never be used as a means of payment.
- 10.6. In the event that seller wants to exercise the ownership rights indicated in this article, the client hereby gives already unconditional and irrevocable permission to seller or third parties to be designated by seller to enter all those places where the properties of seller are and to take these matters back.
- 10.7. With regard to the agreements with buyers established in Germany, German law applies to the retention of title.

11. Disputes

- 11.1. With the exclusion of every other legal system the legal relationships between parties are governed by these terms and conditions and in accordance with Dutch law, with the exception of article 10 subsection, in the case of an agreement by us with a buyer established in Germany.
- 11.2. All disputes ensuing from the legal relationships between parties are in principle submitted, with the exclusion of any other court, to the District Court in Breda, except for in the cases where the Subdistrict Court has jurisdiction.
- 11.3. These terms and conditions are filed at the Chamber of Commerce and Industry in Tilburg under number 3217.