## I. Preface

1. Out general terms and conditions apply to any offers, deliveries and contracts as well as other services including agreements with the customer and information provided to him.

We do not recognize differing terms and conditions of the Buyer. They will be explicitly contradicted.

Subsidiary agreements like amendments, reservations and verbal agreements must be drawn up in writing to become legally effective and confirmed in writing by Muckle Mannequins.

2. According to these terms and conditions, entrepreneurs are natural or legal persons or legal partnerships with whom business relations are established and who act in a corporate capacity or in a capacity as self-employed professionals.

According to these terms and conditions, consumers are natural persons, with whom business relations are established and who do not act in a corporate capacity or as self-employed professionals.

According to these terms and conditions, Buyers are both entrepreneurs and consumers as long as no explicit difference is made in this connection.

## II. Offer and conclusion of the contract

1. Offers are always subject to change and to the exclusion of any purchase condition. Subject to technical changes within the scope of what is reasonably acceptable.

All offers are based on the General Terms and Conditions of Muckle Mannequins.

- 2. Orders must be confirmed in writing to become legally effective. The content of this confirmation is authoritative for the contractual relationship. Catalogue illustrations are without obligation considering possible technical further developments.
- 3. Offer documents remain property of Muckle Mannequins and shall not be made available to third parties.
- 4. The contract is concluded with the proviso that, in case of incorrect or illegal supply to Muckle Mannequins, the company has the right to suspend the performance or to provide only partial performance.

The Buyer is immediately informed in case of unavailability or only partial availability of the service. Any considerations of the Buyer are reimbursed immediately.

## III. Prices, payments, withdrawal of the Seller, and the Buyer's right to counterclaim.

1. The prices are in Euro (€) including VAT and are ex warehouse Muckle Mannequins Mannheim or Winsen, Germany, exclusive freight, packaging, customs duty and other import duties.

In case of follow-up orders we are not bound to previous retail prices.

- 2. Payments shall be made, unless otherwise agreed, exclusively in Euro without any deduction and free of transaction charges to the Seller's designated account within 30 days after receipt of the invoice. This also applies to invoice amounts of partial deliveries. A cash discount of 2% is granted if payment is made within 10 days of the invoice date and in case of CODs due to par. no. 6 of these General Terms and Conditions.
- 3. No payment shall be considered made until it is received by the Seller.
- 4. Money orders, cheques or bank drafts are only accepted after special agreement in writing. If the Seller accepts money orders, cheques or bank drafts, the debt is not amortised until those are successfully honoured. Discount charges and all legal and extrajudicial costs relating to the collection of draft or cheque amounts are borne by the Buyer.
- 5. In the event of payment arrears, interests and commissions are charged according to the statutory provisions.
- 6. The Seller has the right to demand security for his claims at any time.

If the Buyer falls into arrears, all other possible claims of the Seller against the Buyer become due immediately.

7. The Buyer has only the right to set-off if his counterclaims are legally established or if they are recognized by Muckle Mannequins.

The Buyer is only entitled to exercise a right of retention if his counterclaim is based on the same contractual relationship.

# IV. Deliveries, periods, the Buyer's right of withdrawal and liability for damage

- 1. All deliveries are performed at the risk of the Buyer; insurance is only taken out upon the Buyer's explicit request. Muckle Mannequins is only liable for damage and loss of goods if it has not duly packed the goods considering the transport route and the transport mode, and if this has demonstrably been the cause of the damage.
- 2. Delivery dates indicated by Muckle Mannequins are always without obligation. If a term of delivery was agreed upon, it starts on the day of the written order confirmation by Muckle Mannequins, as long as there is clarity about all order details. A period is considered as met if the goods to be delivered have been taken to the forwarding department within the

expiration deadline or if the readiness for dispatch has been communicated, provided that the Buyer has to call or fetch the goods.

3. Muckle Mannequins has the right, in case of force majeure, interruptions of operations caused externally, shortage of manpower, raw materials or fuels, as well as of strikes and lockouts, which make deliveries very difficult or impossible for the Seller, to completely or partially postpone the fulfilment of his delivery obligations for the time of the impediment including an appropriate period of adjustment, or to completely or partially withdraw from the contract on account of the part not yet complied with. Externally caused interruptions of operations include particularly, but not exclusively official directives and wrong or delayed supplies to the Seller.

In such cases, damage caused by default may only be asserted by the Buyer, if Muckle Mannequins committed a grossly negligent or wilful breach of duty, or if one of the Seller's legal representatives or vicarious agent has committed a grossly negligent or wilful breach of duty.

When a fixed delivery date has been exceeded, the Buyer is only granted a right to withdraw excluding the provision of § 323 BGB (*German Federal Civil Code*), if he has set a grace period of at least one month and if no delivery has been performed within this grace period.

Further claims by the Buyer are ruled out unless they are based on a grossly negligent or wilful breach of duty committed by Muckle Mannequins or by one of Muckle Mannequins' legal representative or vicarious agent.

This does not apply in case of a liability for damages due to injury to life, bodily harm or injury to health due to a breach of duty, at least grossly negligent, committed by the Seller, one of his legal representatives or vicarious agents.

- 4. As far as custom-made products are concerned, the Buyer is obliged to take delivery in any case. Due to manufacturing reasons, the Seller has the right to provide under or over supply regarding these orders (custom-made products). In case of doubt, the seller determines which products are custom-made.
- 5. Delivery of custom-made products and supply of new customers placing their first order are exclusively performed COD.
- 6. Muckle Mannequins has the right to perform partial deliveries.
- 7. Regarding deliveries abroad, payment of the goods shall be made in advance to one of our accounts. Payment via cheque, PayPal or credit card is not accepted. Transfer charges are payable by the Buyer. Goods are dispatched within 1-2 days after receipt of payment.

## V. Dispatch

1. When the goods are handed over to the Buyer, the haulier, the carrier or any other person or institution in charge of the transport, however at the latest when leaving our premises, any risk and the transport risk – this also applies to fob or cif orders – is transferred to the Buyer.

This also applies in case that collection of the goods by the Buyer or another authorizes person has been agreed upon.

- 2. Dispatch, choice of means of transportation as well as possible packaging are effected by Muckle Mannequins with the diligence of an orderly businessman to the best of his judgement.
- 3. If goods reported to be ready for dispatch by the date agreed upon are not collected, the risk is transferred to the Buyer. We have the right to consider that the fees are due and to charge warehouse costs from the time the goods are ready for dispatch. If Muckle Mannequins renounces the acceleration clause it is reimbursed, apart from the warehouse costs, interests on the purchase price to the amount of 5% above the basis interest rate established by the federal government, from the time the goods have been ready for dispatch. The storage charges amount to 3.50 € per cbm/month of the goods to be delivered.
- 4. In the event of a return consignment which would not be based on a justified warranty claim or right of withdrawal according to the legal directives the goods are sent at the risk and at the expense of the Buyer.

## VI. Right to refuse performance, reservation of the right to terminate

In the event of a material worsening of the Buyer's financial situation which would occur after conclusion of the contract or which would be communicated to us only then, we have the right to refuse performance and to demand that the Buyer eliminates the endangering of the contract purpose by providing sufficient security. If the Buyer does not comply with the demand to provide security within an appropriate period of time, we are entitled to withdraw from the contract or to claim damages.

## VII. Warranty terms, notice of defects and limitation

- 1. Subject to customary deviations from samples, colour, quality, dimensions etc.
- 2. In the event of a defect Muckle Mannequins is liable for, the consumer may choose whether the subsequent performance shall be effected through rectification of the defect or substitute delivery. Muckle Mannequins has the right to refuse the way of the chosen subsequent performance if this is only possible with disproportionate costs and if the other way of subsequent performance remains without any considerable disadvantage to the consumer.

If Muckle Mannequins is liable for a defect of the goods, it warrants for it first of all at its own option through rectification of the defect or substitute delivery, if the Buyer is a company.

3. If the subsequent performance fails, the Buyer may principally demand at his own option a lowering of compensation (reduction), the rescission of the contract (withdrawal) or a compensation in damages instead of performance. Limitation of liability according to VIII. of these General Terms and Conditions applies, if the Buyer chooses compensation in damages instead of performance.

However, in the case of only minor defects the Buyer is not entitled to the right of withdrawal.

- 4.a. Entrepreneurs shall check the goods on acceptance or receipt for completeness and damage of the packaging. Complaints shall immediately be sent in writing to Muckle Mannequins.
  - b. Entrepreneurs are obliged to check the goods and immediately report visible defects in writing. Hidden defects shall immediately be reprehended after their detection.
  - c. If the entrepreneur does not comply with this obligation or if he fails to meet the deadline for claims, the delivery is considered approved. In this case, warranty claims and claims for damages are excluded.
  - d. The previous provision also applies for claims concerning the amount of the weight and the number of pieces.
- 5. The limitation period for consumers amounts to 2 years from the delivery of the goods. The limitation period for entrepreneurs amounts to 1 year from the delivery of the goods. For used goods the limitation period amounts to 1 year from the delivery of the goods.

The one-year limitation period does not apply if Muckle Mannequins can be blamed for gross negligence, as well as if injury to body and health can be ascribed to Muckle Mannequins and in the event of injury to life of the Buyer. According to the Product Liability Act, the liability of Muckle Mannequins will remain unaffected.

#### VIII. Limitation of liability

1. Muckle Mannequins is not liable for slightly negligent breaches of duty. This also applies to slightly negligent breaches of duty committed by one of Muckle Mannequins' legal representatives or vicarious agents.

Something else applies only towards an entrepreneur in case of slightly negligent breach of substantial contractual duties committed by Muckle Mannequins or one of its vicarious agents.

2. The preceding limitation of liability does not apply to the Buyer's claims regarding the product liability. In addition, the limitation of liability does

not apply if injury to body and health can be ascribed to Muckle Mannequins and in the event of injury to life of the Buyer.

## IX. Retention of title

- 1. Deliveries of the Seller are performed subject to retention of title according to § 449 BGB (*German Federal Civil Code*).
- The Seller retains title in the goods (reserved goods) until all current or future claims of the Seller against the Buyer resulting from the business relationship – for whatsoever legal reason –, this also applies if payments for specially designated claims are made.
- 3.a. An acquisition of property by the Seller of the reserved goods according to § 950 BGB in case of their being processed or modified into a new object or new stock is excluded. For the Seller being the manufacturer according to § 950 BGB, any processing or modifying of the reserved goods are performed without involving any obligation on his part.
  - b. Should the Buyer process or combine the goods with third party goods, the Seller acquires co-ownership of the resulting object in the proportion they have towards each other: the invoice value of the reserved goods used to produce the new object in relation to the sum of all invoice values of all goods used in production.
  - c. If the reserved goods are combined or commingled with other objects and if the Seller's retention to title on the reserved goods hereby expires, it is now agreed upon that the ownership or co-ownership of the Buyer of the combined stock or the uniform objects are transferred to the Seller to the amount of the invoice value of the Seller's reserved goods and that the Buyer stores them for Seller free of charge.
  - d. Besides, regarding the objects resulting from processing, modifying or combining the same applies as to the reserved goods; these objects or stocks, too, are considered reserved goods according to these General Terms and Conditions.
  - e. The Buyer may only sell the reserved goods in his ordinary course of business in accordance with his general terms and conditions and as long as he does not fall into arrears. He is only entitled and authorized to resell the reserved goods subject to the proviso that the claims resulting from the resale are transferred to the Seller according to the following clauses 4 to 7. The Buyer is not entitled to any other disposition of the reserved goods.
- 4. The claims of the Buyer resulting from the resale of the reserved goods are already now transferred to the Seller, no matter whether the reserved goods are sold without or after processing, modifying, combining or commingling and no matter whether they are sold to one or more purchasers.
- 5. In case the reserved goods are sold by the Buyer together with other goods not belonging to the Seller, the claims resulting from the resale

are transferred only to the amount of the invoice value of the respective sold reserved goods.

- 6. If the reserved goods are resold after being processed, in particular with other goods not belonging to the Buyer, or after being combined/commingled/modified, claims are only transferred to the amount of the co-ownership of the Seller of the sold object or the sold stock.
- 7. If the reserved goods are used by the Buyer to fulfil contracts for work and services or supply of materials, the resulting claim is transferred in advance to the Seller with the same amount as defined in the preceding paragraphs.
- 8. The Buyer is entitled to collect claims from the resale as long as he fulfils his duties of payment towards Muckle Mannequins as seller of reserved goods. Under no circumstances, the Buyer is entitled to transfer the claim. Upon request of the Seller, he is obliged to inform his purchasers of the transfer and to hand over the details and documents required for the collection.
- 9. If the value of the securities existing for Muckle Mannequins exceeds its claims by more than 10%, Muckle Mannequins is obliged to release securities of its own choice at the Buyer's request.
- 10. The Buyer shall immediately inform Muckle Mannequins of an attachment or other impairments by third parties or other events.

## X. Return of goods

1. If the legal transaction is based on a long-distance sales contract and if the purchaser is a consumer, he shall be entitled to cancel the agreement in writing (e.g. mail, fax, e-mail) within two weeks, without giving reasons or by returning the object. The period shall begin no sooner than one day after the receipt of this instruction. In order to meet the cancellation time limit, timely dispatch of the cancellation or the goods shall suffice.

Custom-made products, which have been specially produced for the Buyer, shall be excluded from the right to cancel.

The cancellation must be sent to:

Muckle Mannequins

Langlachweg 11

## D-68229 Mannheim / Germany

2. In case of a valid cancellation, the services received by both parties are to be returned, as well as any possible benefit (e.g. interests). If the Buyer may not return the received performance completely or partially or only in decreased quality he must provide, if required, a value replacement to Muckle Mannequins.

This does not apply if the decreased quality of the object is only attributed to an examination of the same, as it would have been possible in a store.

The Buyer may avoid the obligation for value replacement by not using the object like an owner and by refraining from doing anything that might reduce its value.

In case of a return consignment from a shipment whose order value is less than  $40 \in$ , the Buyer must pay the costs for the return consignment, if the delivered goods correspond to the ordered ones. Otherwise, return consignments are free of cost for the Buyer.

Goods that are not ready for parcel delivery are collected from the Buyer.

3. There is no right to cancel with long-distance sales contracts regarding the delivery of goods which have been produced according to the Buyer's specifications or which have definitely been custom-made or which are unsuitable for a return consignment due to their condition.

## XI. Copyright

- 1. The Buyer commits himself not to violate any proprietary right of Muckle Mannequins. In particular, the Buyer commits himself not to produce any copies of the goods or to have any copies produced and not to use the goods as samples for production.
- 2. The Buyer shall pay Muckle Mannequins a contractual penalty in the amount of 10,000.00 € for any violation of an obligation from clause 1. The defence of continuation of violation shall be barred.
- 3. Muckle Mannequins has the right to visibly place its logo, its company sign with address and its identification number on its produced articles and packaging.
- 4. All prototypes, figures, models and drawings produced for the customer may be published in brochures and on the website of Muckle Mannequins. Prototypes are property of Muckle Mannequins even if those are paid by the customer for designing shapes of figures.

# XII. Applicable law, severability clause, place of performance and jurisdiction

All agreements and legal acts are governed by German law – this applies both to the Seller and to the Buyer.

In the event that one or more provisions of these Terms and Conditions are deemed invalid, the remaining provisions shall remain in full force and effect. If one of the delivery terms should be doubtful in its validity as a consequence of the applicable jurisdiction of the German Federal High Court of Justice, this term shall be interpreted within the framework of the guiding principles of the German Federal High Court of Justice and be considered agreed in such a way.

Place of performance for all deliveries and payments is the registered office of Muckle Mannequins.

Mannheim is the exclusive jurisdiction or any other court of Muckle Mannequins' choice.

### XIII. Data protection

- 1. The Buyer is informed and agrees that data required for the order processing are stored on data media and are kept in confidence pursuant to the German Federal Data Protection Act (BDSG) and the German Teleservices Data Protection Act (TDDSG).
- 2. Moreover, the Buyer agrees to receive information on new offers without further request.
- 3. The customer has the right to revoke this consent at any time with effect for the future. In this case, Muckle Mannequins undertakes to immediately delete the personal data unless an order has not completely been processed.