



YOUR ORDER (“Order”) IS EXPRESSLY CONDITIONED ON ACCEPTANCE OF THE TERMS AND CONDITIONS HEREOF.

BY ACCEPTANCE OF THE OFFER, BUYER REPRESENTS AND AGREES AS FOLLOWS:

Craft & Concept SA (hereinafter referred to as “**Vendor**”) is your contracting party. Shall constitute acceptance by Buyer of the terms and conditions contained herein:

- oral and written notice of acceptance by Buyer (“You”, “Buyer”), its agents and/or assigns as listed on any Proforma Invoice, Invoice, email communication, and/or Order Confirmation advice issued by Vendor, its assigns, subsidiaries, holding company, or principal companies to You;
- preparation to perform by an Agent, including but not limited to the exposition of, proposal of, and/or making of any Samples, issuance of Proforma Invoices, Quotations, Invoices, or issuance of Order Confirmation advices (hereinafter referred to as “**Order Confirmation**”), acceptance of emails, faxes or telephone calls confirming such proposals or any part thereof, and/or shipment of all or any part of the merchandise, including Samples specified in this Order of items for sale by Vendor (“**Merchandise**”) shall constitute acceptance by Buyer of the terms and conditions contained herein.

BUYER HEREWITH REPRESENTS AND AGREES AS FOLLOWS:

1. Shipping dates

- 1.1.** If the shipping or delivery dates set forth on the face hereof cannot be met, Vendor will promptly inform Buyer in writing of Vendor’s best possible shipping or delivery dates which shall become part of the Order. Buyer shall have no right of cancellation of the order unless the shipping date is delayed by six months from the date communicated on the Order Confirmation/Invoice/Quotation advice or pro- forma invoice. Buyer further has no right in claiming any damages for such late delivery. Art. 190 (1) of the Swiss Code of Obligations (“*Where in commercial transactions the contract specifies a time limit for delivery and the seller is in default, the presumption is that the buyer will forego delivery and claim damages for non-performance.*”) shall not apply.

2. Warranties by Vendor

- 2.1.** In addition to and without prejudice to any and all other warranties, express or implied by law, Vendor represents, warrants and covenants to Buyer that:

- (a) Vendor possesses all licenses, permits, rights, powers and consents required to enter into and perform this Order, to sell to Buyer the Merchandise referenced herein and to grant to Buyer the rights granted herein;
- (b) Vendor's performance hereunder does not violate any agreement, instrument, judgment, order or award of any court or arbitrator
- (c) all Merchandise furnished hereunder, including the production, sale, packaging, labelling, safety, testing, importation and transportation thereof, and all representations, advertising, prices, and allowances, discounts or other benefits made, offered or authorized by Vendor in connection therewith, shall at all times comply with all applicable federal, state, local, industry and foreign statutes, laws, rules, regulations and orders, standards and guidelines (collectively, "Laws");
- (d) where applicable, reasonable and representative tests as prescribed by Laws or governmental authorities have been performed or will be performed before shipment from Vendor to the warehouse designated by Buyer (the "Warehouse");
- (e) all Merchandise furnished hereunder shall be new, first quality merchandise and conform to all representations by Vendor, instructions, specifications, and samples, shall be free from all defects (including latent defects) in workmanship, material and design, and shall not be reworked, rebuilt or refurbished merchandise;
- (f) all manufacturers' warranties are effective and enforceable by both Buyer and its customers;
- (h) the title of Vendor to the Merchandise is good and free and clear of all encumbrances and liens, and its transfer hereunder rightful;
- (i) neither the Merchandise nor any component part thereof is subject to any import quota restriction, rule or regulation preventing or forbidding the importation, use, promotion for sale or sale of the Merchandise or any component part thereof, or any duty, tariff, or penalty in connection therewith, except as previously disclosed in writing by Vendor to Buyer; whereas this paragraph does not apply to cotton textiles, perfumes and cosmetic products;
- (j) the Merchandise and similar goods are not and have not been subject to product liability or infringement claims, except as disclosed on the face of the Order Confirmation/Invoice/Quotation hereof.

3. Obligations of Buyer

3.1. Buyer hereby agrees to protect, defend, hold harmless and indemnify Vendor, its subsidiaries and affiliates, and each of their, respective customers, programming and other distributors, employees, agents, officers, directors, successors and assigns, from and against any and all claims, actions, suits, costs, liabilities, damages and expenses (including, but not limited to, reasonable attorneys' fees) based upon or resulting from:

- (a) any alleged or actual infringement of the marks, rights of publicity or privacy and/or any other third-party rights arising from the sale, promotion of the sale and/or performance of the Merchandise, contents and/or the Promotional Material;
- (b) any alleged or actual defect in any of the Merchandise;
- (c) any alleged or actual injury or death to person or damage to property arising out of the furnishing, use or performance of the Merchandise;
- (d) breach by Vendor of any representations, warranties or covenants; and
- (e) any alleged or actual violation by Vendor and/or the Merchandise of any applicable Laws.

4. Shipped Merchandise

4.1. Merchandise shipped or delivered to Buyer prior to the first permitted ship or delivery date specified on the face of any Order Confirmation/Invoice/Quotation hereof, may not be returned to Vendor. Merchandise shipped or delivered to the Buyer after the last permitted ship or delivery date specified on the face of any Order Confirmation/Invoice/Quotation hereof may also not be returned by Buyer. Unless otherwise stated on the face of the Order Confirmation/Invoice/Quotation hereof, Vendor shall ship the Merchandise in one or several shipments at Buyer's sole expense including all customs duties and taxes associated with such shipments. As time is of the essence, Buyer agrees to use freight collect services, however in circumstances where freight collect shipments are not available or to meet Buyer's stated requirements for faster delivery of Merchandise, Buyer shall reimburse Vendor for all shipping, duties and taxes should Vendor incur such charges in the execution of the shipping of this order. Additional freight charges resulting from partial shipments shall be borne by Buyer. Partial shipments shall not cause Buyer's obligations to become severable. Unless otherwise stated on the face of any Order Confirmation/Invoice/Quotation hereof, Buyer shall pay or reimburse Vendor, at the direction of Vendor, for all freight, storage, packing and insurance incident to the shipment of the Merchandise, including, but not limited to, loading and unloading charges, mileage charges, Warehouse consolidation fees and interstate shipping, taxes, tolls and other fees. Vendor agrees to follow Buyer's instructions with respect to shipment, routing and packaging. Vendor's failure to comply with the terms and conditions set forth in this Section or in Buyer's shipping regulations or shipping instructions or in any applicable standards provided by Buyer to Vendor ("Standards"), in effect as of the date of this Order, and which are incorporated herein by reference, does not give Buyer the right of cancellation. Vendor shall be liable only to a maximum of EUR300.00 per Order for non-compliance of shipping instructions issued by the Vendor. Any such charges assessed may be deducted from any amounts due or which may become due to Vendor. Copies of the Regulations and Standards of Buyer, if any, must be made available to the Vendor upon confirmation of this order by Vendor to Buyer.

5. Objection to order

5.1. Merchandise furnished hereunder which is not in compliance with this Order, the Regulations or the Standards, must be declared within 48 hours of receiving the Order on Buyer's premises or in the warehouse used for storage by Vendor for Buyer's Merchandise, whichever occurs first, otherwise, the Merchandise is deemed accepted. Vendor shall not withhold reasonable inspection of the Merchandise at its warehouse and shall inform Buyer of the expected delivery date thereto, should Buyer wish to store Merchandise on Vendor's premises. If defective Merchandise is declared within this time period, the value of such Merchandise, deemed defective shall be credited to Buyer's account. Defect shall be determined solely by the Vendor and acceptance of a defect declaration shall only be made in writing by Buyer. The parties exclude any claims arising out of such defective products. Vendor retains the sole right to replace defective Merchandise when defective Merchandise is exchangeable for the same or similar Merchandise. Exchanged merchandise shall inure against the credit offered by Vendor to Buyer and such Merchandise shall be shipped at the expense of Vendor. As such, Buyer's right is limited to the exchange of Merchandise in such event (limitation of Art. 206 (2) Code of Obligations). Merchandise that was shipped in error and is not part of this order, shall be returned to Vendor at the sole expense of the Vendor within 7 business days from the date of acceptance of the shipment at Buyer's premises or warehouse. Unreturned Merchandise sent in error shall be billed to Buyer at Vendor's Wholesale Price and such payment shall become due within seven days of Vendor's transmission of the applicable Invoice.

6. Right to offset

6.1. For all items ordered herein, Vendor retains the right of legal offset. Should Buyer attempt to cancel this or future orders, Vendor shall have the right to withhold any of Buyer's ordered but still unshipped Merchandise, whether paid or unpaid. Should any order remain unpaid, Vendor at its sole option retains the right to resell merchandise previously ordered by Buyer to offset Vendor's loss in an amount equal to the extent of any unsatisfied claims brought by Vendor against Buyer pending the final resolution of such claims, including but not limited to the sale of undelivered Merchandise purchased by Buyer in a mode and manner chosen by the Vendor. Vendor's rights of withholding and offset set forth in the preceding sentence will be without prejudice to, and not in limitation of, any other rights that Vendor may have against Buyer under this Agreement or otherwise. Vendor reserves the right to claim real and punitive damages by Buyer's cancellation of confirmed orders. Buyer hereby waives their right to legal offset.

7. Assignment of rights

7.1. Buyer shall not assign this Order, or any part hereof, without the prior written consent of Vendor, and any such attempted assignment shall be void at the election of Vendor. All claims for money due or to become due from Buyer shall be subject to deduction by Vendor for any setoff or counterclaim arising out of this Order or any other of Buyer's orders or agreements with Vendor, whether such set-off or counterclaim arose before or after any assignment by Buyer.

8. Payment

- 8.1.** All payments shall be made in the currency provided for in the Proforma Invoice or the Invoice, within the agreed time period.
- 8.2.** Where the Goods are delivered by installments, Vendor may invoice each installment separately and Buyer shall pay such invoices in accordance herewith.
- 8.3.** Buyer is liable for and shall pay the Purchase Price set forth in the Proforma Invoice or the Invoice, including taxes, impositions, charges, customs, duties or tariffs applicable to the Goods being the subject of the Order. Vendor shall be held liable for Buyer's failure to pay any custom duties or taxes that result in the return of or the seizure of the Goods.
- 8.4.** No dispute arising under the Order nor delays beyond the reasonable control of Vendor shall interfere with Buyer's prompt payment in full of any Invoice.

9. Price adjustment clause

- 9.1.** Vendor reserves the right to adjust the Purchase price set forth in the Proforma Invoice or the Invoice to account for changes in costs that are not attributable to it, including, but not limited to, energy, machinery, equipment, material, delivery, shipment, and labor costs.
- 9.2.** The Purchase Price shall be adjusted to the price in effect at the time of delivery of the Goods.
- 9.3.** Vendor shall provide Buyer with a written evidence documenting the change in costs.
- 9.4.** Vendor may only adjust the Purchase Price upon Ten (10) days prior written notice to Buyer.
- 9.5.** No Adjustment to the Purchase Price shall be effective prior to expiration of the notice period required by paragraph (4) of this Section for such adjustment.

10. Non-performance of Buyer's obligation to pay the Purchase price at the agreed time

- 10.1.** If Buyer fails to pay the Purchase price in full at the agreed time set forth in the Proforma Invoice or the Invoice, Vendor shall fix to Buyer an additional period of time of Seven (7) days (the "additional period") for performance of payment. If Buyer fails to pay the Purchase price at the expiration of the additional period, the Vendor may cancel the Order upon written notice to the Buyer.
- 10.2.** During the additional period, Vendor may withhold performance of its own reciprocal obligations but may not cancel the Order.
- 10.3.** If Buyer fails to pay the Purchase price in full at the agreed time set forth in the Proforma Invoice or the Invoice, Vendor shall in any event be entitled, without limiting any other rights it may have, to charge late payment interest on the outstanding amount (both before and after any court decision or

arbitral award) at the rate of 18% per annum, from the date following the due date set forth in the Proforma Invoice or the Invoice to the date of payment in full by Buyer.

10.4. In addition to charging late payment interest in accordance with Paragraph (3) of this Section, Vendor shall also be entitled, without limiting any other rights it may have, to claim liquidated damages (both before and after any court decision or arbitral award) equal to 10% of the Purchase price for each complete day of delay as from the date following the due date set forth in the Proforma Invoice or the Invoice. The payment of liquidated damages does not exempt Buyer from paying the Purchase price in full.

10.5. Should Vendor cancel the Order in accordance with Paragraph (1) of this Section, Buyer has no right to claim reimbursement of the deposit it had paid to Vendor upon confirmation of the Order.

11. Bankruptcy or liquidation of Buyer

11.1. Should Buyer become bankrupt, or goes into liquidation, Vendor shall be entitled to cancel the Order and should the Goods have been delivered but not paid for, the Purchase price shall become immediately due or the Goods shall have to be returned to Vendor.

12. Cancellation of the Order in general

12.1. There is a breach of the Order where a Party fails to perform any of its obligations under the Order, including defective, partial or late performance.

12.2. In a case of a breach of the Order under Paragraph (1) of this Section, the aggrieved Party shall, by written notice to the other Party, fix an additional period of time of reasonable length for performance. During the additional period of time, the aggrieved Party may withhold the performance of its own reciprocal obligations and may claim damages but may not cancel the Order. If the other Party fails to perform its obligation within the additional period of time, the aggrieved Party may cancel the Order.

13. Effects of cancellation of the Order

13.1. The cancellation of the Order by either Party releases both parties from their obligation to effect and to receive future performance, subject to any damages that may be due.

13.2. The cancellation of the Order does not preclude a claim for damages for non-performance.

13.3. The cancellation of the Order does not affect any provision in the Order that is to operate even after cancellation of the Order.

14. Transfer of risk

14.1. The risk of loss of, or damage to, the Goods being the subject of the Order, shall be transferred to Buyer upon confirmation of the Order. Buyer shall consequently remain liable to payment of the Purchase Price in full.

15. Transfer of property

- 15.1.** Vendor shall deliver to Buyer the Goods being the subject of the Order free from any right or claim of a third person.
- 15.2.** Should the Goods be delivered by Vendor prior to the payment of the Purchase Price by Buyer, the property in the Goods being the subject of the Order shall not pass to Buyer until Vendor has received payment in full of the Purchase Price. Until property in the Goods passes to Buyer, Buyer shall keep the Goods separate from those of Buyer and third parties and properly stored, protected, insured and identified as the Vendor's property.
- 15.3.** If the Goods being subject of the Order are subject to a right or claim of a third person, Buyer shall notify Vendor of such right or claim and request Vendor to free the Goods from all rights and claims of third persons within Thirty (30) days without any additional expense to Buyer or, alternatively, request that the other goods free from all rights and claims of third persons be delivered to it by Vendor without any additional expense to Buyer.
- 15.4.** If Vendor complies with a request made under Paragraph (3) of this Section, and Buyer nevertheless suffers a loss, Buyer may claim damages.
- 15.5.** If Vendor does not comply with a request made under Paragraph (3) of this Section, Buyer may, upon written notice to Vendor, cancel the Order and claim damages.

16. Change of circumstances

- 16.1.** If events occur which have not been contemplated by the Parties and which fundamentally alter the equilibrium of the Order, thereby placing an excessive burden on one of the Parties in the performance of its obligations under the Order, that Party shall be entitled to request amendments to the Order in accordance with Section 9 of the Order.

17. Amendment

- 17.1.** No amendment of any of the terms or conditions of the Order shall be valid or binding upon either Party, unless in writing and signed by an authorized representative of each Party. A Party may however be precluded by its conduct from asserting such a clause to the extent that the other Party has reasonably acted in reliance on that conduct.

18. Severability

- 18.1.** If any clause of the Order is held by any tribunal or competent authority to be invalid or unenforceable in whole or in part, the Order shall continue to be valid as to its other clauses, unless the invalid or unenforceable clause is the essence of the Order.

18.2. The Parties understand and agree that Sections 2,3,4,5,6,7,8 and 12 of the Order are the essence hereof.

19. Force Majeure-excuse for non-performance

19.1. «*Force majeure*» means war, emergency, accident, fire, earthquake, flood, storm, industrial strike or other impediment which the affected Party proves was beyond its control and that it could not reasonably be expected to have taken the impediment into account at the time of the issuance of this Order or to have avoided or overcome it or its consequences.

19.2. A Party affected by *force majeure* shall not be deemed to be in breach of the Order, or otherwise liable to the other, by reason of any delay in performance, or the non-performance, of any of its obligations under the Order to the extent that the delay or non-performance is due to any force majeure of which it has notified the other Party in accordance with clause Paragraph (3) of this Section. The time for performance of that obligation shall be extended accordingly, subject to Paragraph (4) of this Section.

19.3. If any *force majeure* occurs in relation to either Party which affects or is likely to affect the performance of any of its obligations under the Order, it shall notify the other Party within Twenty (20) working days from the occurrence of *force majeure* as to the nature and extent of the circumstances in question and their effect on its ability to perform. Working days means Mondays through Fridays but shall not include Saturdays, Sundays or federal or cantonal holidays. In computing Twenty working days, the day of receipt of any notice shall not be included, and the last day of the Twenty working days shall be included.

19.4. If the performance by either Party of any of its obligations under the Order is prevented or delayed by *force majeure* for a continuous period in excess of Six (6) months, the Parties shall negotiate in good faith, and use their best endeavors to agree upon such amendments to the Order or alternative arrangements as may be fair and reasonable with a view to alleviating its effects, but if they do not agree upon such amendments or arrangements within a further period of Six (6) months, the other Party shall be entitled to cancel the Order by giving written notice to the Party affected by the *force majeure*.

20. Confidential Information

20.1. For the purposes of this Order, “Confidential Information” means any agreement between Buyer and Vendor, all information in whatever form transmitted relating to the past, present or future business affairs, including without limitation, the sale of Merchandise, customer lists and other customer information, research, development, operations, security, broadcasting, merchandising, marketing, distribution, financial, programming and data processing information of Vendor or another party whose information Buyer has in its possession under obligations of confidentiality, which is disclosed by Vendor, its subsidiaries, affiliates, employees, agents, officers or directors to Buyer or which is produced or developed during the working relationship between the parties. Confidential Information shall not include any information of Vendor that is lawfully required to be disclosed by Buyer to any governmental agency or is otherwise required to be disclosed by law, provided that before making such disclosure Buyer shall give Vendor an adequate opportunity to interpose an objection or take action to assure confidential handling of such information. Buyer shall not disclose any Confidential Information to any person or entity except

employees of Buyer as required in the performance of their employment-related duties in connection with this Order, nor will Buyer use the Confidential Information for any purpose other than those purposes expressly contemplated herein. Buyer shall not use any information obtained from Vendor's customers (e.g., through warranty cards or otherwise) to offer for sale to such customers any goods or services. In the event of a breach or threatened breach of this Section by Buyer, Vendor shall be entitled to obtain from any court of competent jurisdiction, preliminary and permanent injunctive relief, including, but not limited to temporary restraining orders, which remedy shall be cumulative and in addition to any other rights and remedies to which Vendor may be entitled. Buyer agrees that the Confidential Information referred to in this Section is valuable and unique and that disclosure or use thereof in breach of this Section will result in immediate irreparable injury to Vendor. Buyer shall inform those persons or entities having access or exposure to Confidential Information hereunder, of Buyer's obligations under this Section.

21. Applicable law and guiding principles

- 21.1.** Questions relating to this Order that are not settled by the provisions contained herein shall be governed by governed and construed in accordance with the laws of Switzerland without regard to its conflict of laws. The provisions of the United Nations Convention on the International Sale of Goods shall not apply hereto.
- 21.2.** This Order shall be performed in a spirit of good faith and fair dealing.

22. Arbitration

- 22.1.** Any dispute, controversy, or claim arising out of, or in relation to, this Agreement, including regarding the validity, invalidity, breach or termination thereof, shall be resolved by arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Arbitration Centre in force on the date on which the Notice of Arbitration is submitted in accordance with those rules.
- 22.2.** The number of arbitrator shall be one.
- 22.3.** The seat of the arbitration shall be in Zurich.
- 22.4.** The arbitral proceedings shall be conducted in English.
- 22.5.** The Expedited Procedure of the Swiss Rules of International Arbitration will apply.

23. Press release

- 23.1.** Buyer shall not issue any publicity or press release regarding Vendor or Vendor's activities hereunder without first obtaining Buyer's prior written approval and consent to such release.

24. Full understanding

- 24.1.** This Order and any other written warranties and specifications, the Regulations and Standards, and the terms, conditions and agreements herein and therein, constitute the full understanding of the parties hereto and a complete and exclusive statement of the terms of the parties' agreement concerning the Merchandise furnished hereunder.

25. Miscellaneous

- 25.1.** The Parties agree that in the event that any date on which performance is to occur falls on a Saturday, Sunday or federal or cantonal holiday, then the time for such performance shall be extended until the next business day thereafter occurring.
- 25.2.** All notices given under the Order must be in writing. A notice is effective upon receipt and shall be sent via one of the following methods: email, overnight courier service, certified or registered mail, postage prepaid, return receipt requested, addressed to the Party to be notified at the address first stated above, or to such other address as such Party may designate upon reasonable notice to the other Party.
- 25.3.** In any matter not specifically covered or addressed by the Order, the Parties shall be guided by the applicable laws of Switzerland.

