

HARTJES Gesellschaft m.b.H.

STANDARD TERMS AND CONDITIONS

1. Order Placement

An order is deemed to have been accepted with legally binding effect, provided that the seller does not reject the respective order within 8 weeks. Should the seller inform that he cannot observe the agreed delivery limit, the buyer may withdraw from the order within 14 days after receipt of that notice.

2. Shipment

Goods are delivery free to destination, with buyer having to pay door delivery expenses: The following shipments cannot be delivered free domicile:

- a) Shipments where the value of the goods is less than EUR 300.00 (Austria EUR 100.00) (without VAT) for one delivery date;
- b) A minimum quantity surcharge of EUR 1.50 per order, plus postage, is charged if less than 5 pairs are ordered.

3. Reservation of Title

Seller will retain title to the delivered goods pending payment. However, the buyer may sell the goods in the ordinary course of business. Any pledging or granting of security rights in respect of the goods for the benefit of third parties shall be prohibited, except with seller's consent. Buyer shall promptly notify the seller should third parties attach the goods. The calculation or acknowledgment of a balance will not affect the reservation of title. In case of centralized settlement of payments via a purchasing group, the reservation of title will transfer to that group once payments are settled.

4. Force Majeure

In cases of force majeure or government action, both seller and buyer may extend the delivery and acceptance period by the duration of that impediment (yet by not more than 4 weeks), to the exclusion of any right to damages. In such a case, seller waives an extended delivery period pursuant to Section 6. Cases of force majeure or government action shall be the events generally and customarily defined by case law.

5. Determination of Delivery Period in Orders

The delivery limit shall be deemed to have been observed with the date of shipment. The delivery limit is unmistakably defined in the orders.

- a) It is defined in ten-day periods, with the delivery period then ending on the last day of the respective ten-day period. As a result, the definition of a delivery period as "beginning", "mid" or "end" of a month means deliveries at the end of the Ist, IInd and IIIrd ten-day period of that month.
- b) If only a one-month delivery period was agreed, it will end on the last day of the respective month.

6. Subsequent Delivery Period

In case of any delay in delivery, a subsequent delivery period of 20 work days shall be granted pursuant to legal provisions.

If the allowed time for subsequent deliveries is exceeded, the seller shall notify the buyer in writing of the expected new delivery date. Unless buyer's response is received within 7 calendar days after that notice was verifiably sent (seller's postmark), buyer shall be deemed to have given its consent.

7. Warranty

7.1

Complaints regarding visible defects, quantities and product range upon acceptance of the goods must be notified and justified immediately after receipt of the goods. In case of obvious shortcomings which can be identified without thorough examination, the buyer may claim replacements or credits. Those requests shall be dealt with within 5 work days, to the exclusion of recourse to mail services. Credits or replacements are not available for last season's unsold shoes, showcase goods, goods delivered at reduced prices, rejects and obsolete or unsightly goods, unless an agreement was reached with seller.

7.2

Complaints regarding hidden defects are governed by the legal provisions (pursuant to the Austrian Commercial Code, hidden defects must be reported to the seller immediately, hence promptly after the defect was identified).

7.3

Any complaints which can be rectified by seller's corrective action shall be settled by the seller within 7 work days (or 10 work days during company shut-down days), to the exclusion of recourse to mail services. If this time limit is exceeded, buyer may provide the customer with a new pair of shoes at the seller's cost and expense.

The supplier cannot be held responsible during transport.

7.4

As a matter of course, the principle of legitimate expectations applies in all cases. Processing of every complaint requires the buyer to state the invoice date, the item number, the shortcomings and the price of the delivered goods.

7.5

All businesses involved in production and distribution shall not be liable for property damage due to a product defect. In connection with the treatment, use and storage of the delivered goods, the respective buyer shall take into account the goods' specific characteristics and shall observe risk notices, if any.

8. Repossession of Goods Marked with a Special Mark

Shoes marked with buyer's company name or with a third-party mark are not taken back, unless they feature substantial deviations in terms of quality, colour or workmanship.

9. Terms of Payment

Invoices are issued for the day on which the goods were delivered; in case of premature deliveries, the agreed delivery date shall be the invoice issue date.

Any time granted for payment may not exceed 30 days from the invoice date. If the period allowed for payment or agreed advance payments is exceeded, interest at a rate of 2 percent above the discount rate of the National Bank is payable, unless otherwise agreed.

Dunning charges and collection fees are payable by the buyer.

Terms of payment: within 10 days - 3% cash discount
 within 30 days - net

Invoices issued

 from the 1st until the 10th day

 from the 11th to the 20th day

 from the 21st to the last day of a month

may be added up for the last day of that period. The day on which the buyer has verifiably sent the payment shall be deemed to represent the payment date. The seller has the right to receive any payment to which it is entitled free and clear of any charges.

10. Late Payment

If the buyer is in default with a payment that is due from current or previous contracts or if there is any substantial deterioration of his financial circumstances, the seller may withdraw from the yet non-performed part of the contract or insist that cash payment be made for future deliveries or a security be provided prior to the shipment of goods, all this without prior grace period.

11. Written Form

All purchase agreements shall be made in writing. Oral agreements are not valid, unless these are confirmed in writing.

12. Place of Jurisdiction

The Regional Court of Ried i.I. (*Landesgericht Ried i. I.*) shall have jurisdiction for all disputes arising between the parties from the contractual relationship; however, we may also refer a case to the court which has general jurisdiction for the buyer.