

General Terms and Conditions of Delivery and Payment of Closed GmbH

1 General

- 1.1 Purchase contracts and similar contracts in which Closed GmbH acts as the supplier and/or service provider will only be concluded by us in accordance with the following terms and conditions of delivery and payment.
- 1.2 Agreements and additional understandings which diverge from or supplement these terms and conditions of delivery and payment are only effective if we confirm them in writing.

2 Quotations and contracts

- 2.1 Our quotations are always without engagement and non-binding unless we explicitly designate them as binding. Descriptions and/or illustrations of the delivery items in offers, brochures or other sources of information and/or advertising material do not constitute a guarantee of quality.
- 2.2 We can accept an order from the buyer which is to be seen as an offer to conclude a contract, within 180 days (one hundred and eighty days) of its receipt. Order copies and EDI order responses sent by us by post or electronic means do not constitute order confirmations in a legal sense. The buyer is entitled to cancel an order wholly or in part (e.g. with respect to individual styles or sizes) free of charge within 10 working days of placing the order. On expiry of this deadline, the buyer is only entitled to cancel an order wholly or in part on payment of a cancellation charge. In this case, the cancellation charge will be 30% of the net purchase price of the cancelled goods provided cancellation is made before the official start of delivery (as stated) and 50% of the net purchase price of the cancelled goods after the official start of delivery.

3 Prices

- 3.1 The prices agreed on conclusion of the contract, in particular the prices quoted in the order form or order confirmation, apply.
- 3.2 The prices quoted apply ex. warehouse Hamburg plus freight and valid rate of VAT unless explicitly agreed otherwise in writing.
- 3.3 We reserve the right to change our prices appropriately if external cost reductions or increases occur after conclusion of the contract or submission of the order, and our purchase prices change. This applies in particular in the event of changed raw material prices or differing production quantities, changes in exchange rates, customs, taxes and other charges as well as changes in insurance premiums, freight rates or other transport costs. On request, we will provide the customer with documentary proof of such changes taking account of the individual cost elements and their significance for the overall price.

4 Terms and conditions of payment

- 4.1 Our invoices are issued on the day of delivery or provision of the goods. They are to be paid within the deadline agreed in writing, or if no such agreement has been made, they will be due for payment immediately and must be paid net, free of postage or other charges.
- 4.2 Payments are considered fulfilled on the day on which we can dispose of the amount; in each case they will be set against the oldest due debt plus any default interest. No interest will accrue on advance payments or payments on account.
- 4.3 Bills of exchange and cheques will only be accepted after prior agreement and only then in payment and under the usual proviso. Credit notes for bills of exchange and cheques are only provisionally valid and subject to encashment. The buyer will bear all discount and collection expenses. No responsibility is taken for punctual collection or punctual protest.
- 4.4 As long as payment is overdue, the statutory rate of default interest will be applied to the purchase price. We reserve the right to assert further damages caused by delay. Our claim for commercial default interest (Sec. 353 of the German Commercial Code (HGB)) remains unaffected.
- 4.5 We will not be obliged to make any further deliveries from running orders before outstanding invoices, including interest, are paid in full.

- 4.6 We will also be entitled at all times as part of an ongoing business relationship to only deliver in full or in part against payment in advance. We announce this caveat with our order confirmation at the latest.
- 4.7 Payments from our contract partners will only release them from such an imposition if they are made directly to us or to a bank or financial institution nominated by us in writing. Our agents and/or sales representatives are not authorized to accept payments.
- 4.8 The buyer is only entitled to exercise right of retention or set-off if his claim has been upheld by a court of law or is uncontested. In the event of defects in the delivery, the buyer's counterclaims, particularly with regard to Clause 11, will be unaffected.
- 4.9 If the buyer's financial situation deteriorates significantly, i.e. in the event of impending insolvency, failure to honour bills of exchange or cheques, we can refuse to provide the service incumbent on us and determine a suitable deadline by which the buyer can opt to either provide consideration for the service concurrently or offer security. If the deadline expires fruitlessly, we can withdraw from the contract. Otherwise Sec. 321 of the German Civil Code (BGB) applies. Sec. 119 of the Insolvency Ordinance (Inso) remains unaffected.

5 Delivery

- 5.1 Details of delivery times are only ever to be seen as approximations unless a fixed deadline or fixed date has been explicitly guaranteed or agreed.
- 5.2 The delivery time is deemed to have been met if the delivery item is despatched or collected within the delivery time or, in case the despatch or the collection is delayed for reasons beyond our control, if notification of readiness to despatch is given within the agreed delivery time. The delivery time is deemed to have been met on notification of readiness to despatch if despatch is impossible for reasons beyond our control. The agreed delivery time will be extended – without prejudice to our rights resulting from the buyer falling into arrears – by the period during which the buyer is in arrears with his obligations from this or another contract.
- 5.3 Our delivery obligations are subject to the proviso that we ourselves are supplied correctly and on time, unless we are responsible for any incorrect or delayed delivery on the part of our suppliers.
- 5.4 We are entitled to make partial delivery and provide partial services to the extent that such deliveries are of interest to the buyer with respect to the purpose of the contract and the buyer does not incur any substantial amount of extra work as a result.
- 5.5 If the dispatch or delivery of the goods is delayed by the buyer, we will be entitled to bill the buyer for any additional costs which we incur as a result.

6 Force Majeure

- 6.1 Force majeure is any event beyond the control of either contracting party, as a result of which that party is prevented, wholly or in part, from meeting their obligations, including pandemics, civil unrest, war or terrorist incidents, fire damage, floods, strikes and lawful lockouts as well as operational disruptions for which they are not responsible or official decrees. Supply difficulties and other interruptions to performance on the part of our suppliers are only deemed to be force majeure if the supplier in turn is prevented from providing the service incumbent upon him as a result of an event corresponding to the preceding sentence.
- 6.2 The contracting party affected will immediately notify the other party of the occurrence of force majeure and also as soon as it no longer applies, and use its best endeavours to overcome the force majeure and keep its effects to a minimum.
- 6.3 Both contracting parties are exempted from their contractual obligations for the duration of force majeure and within the scope of its effects, even if they should find themselves behind schedule.
- 6.4 If force majeure lasts for more than 16 weeks beyond the agreed delivery date, either contracting party will be entitled to withdraw from the orders affected by it.

7 Despatch, packaging

- 7.1 The mode of despatch is at our discretion. Special requests from the buyer will be taken into consideration where possible. The buyer will also bear any excess costs this entails (see Clause 3.2)

7.2 The goods will be delivered in packaging appropriate for despatch or transport. If more extensive packaging and/or other means of transport are desired, the buyer will also bear any additional costs.

8 Risk assumption

8.1 For all deliveries, including any returns, the buyer will bear the risk of accidental loss or accidental deterioration, even if freight-free, FOB, FCA or CIF delivery has been agreed. The risk is transferred to the buyer on despatch of the goods to the buyer, at the latest when they leave the warehouse. Insurance cover will only be taken out at the specific request of the buyer and at the buyer's expense.

8.2 If the despatch is delayed at the request of the buyer or due to circumstances brought about by the buyer, the risk is transferred to the buyer from the day of notification or readiness to despatch for the duration of the delay.

9 Distribution/Internet

The buyer will inform us without delay if he intends to resell or distribute the goods supplied by us through the internet (e.g. in his own online shop or via corresponding marketplaces/platforms).

10 Reservation of title

10.1 The merchandise remains our property until all our current and future claims against the buyer as a result of the business relationship have been settled (reserved merchandise). Our claims will not expire on inclusion in a current account balance and its acknowledgement. The buyer is obliged to store the reserved merchandise in a proper manner and to insure it adequately at his own expense. The buyer herewith assigns to us all his payment claims against the insurer in so far as they concern our reserved merchandise. We are entitled to disclose this assignment if the preconditions listed in Clause 4.9 have been met.

10.2 The buyer is only entitled to sell the reserved goods in the ordinary course of business, either against a cash payment or agreement of a reservation of title. The buyer is not permitted to transfer the goods as security, pledge them or allow any other control over the reserved goods which would foil or hamper the security purpose of reserving title.

10.3 If the reserved goods are seized by third parties on the buyer's premises, the buyer must draw the attention of such third parties to our retention of title and immediately notify them in writing, attaching the seizure log and an affidavit confirming that the goods seized are identical to the reserved goods supplied. If the reserved goods are resold, the buyer hereby assigns to us by way of precaution his claims against his customer arising from the resale in the amount of the value of the reserved goods sold until all our claims arising from our business relationship with the buyer have been settled.

If the reserved goods are resold together with goods from other suppliers and a joint invoice is issued, the buyer will assign to us that part of the total price accounted for by the reserved goods included in the total invoice; the same applies to all ancillary rights (retention of title, ownership by way of security, bill of exchange, etc.).

The buyer is entitled, as trustee and on our account, to collect the receivables assigned to us out of the resale and to exercise ancillary rights. The aforementioned powers, especially the buyer's direct debit mandate, expire irrevocably, if he fails to meet his payment obligations towards us or his financial circumstances deteriorate significantly, in particular if insolvency proceedings are opened against him or the opening of insolvency proceedings is refused due to a lack of assets.

The buyer is not authorized to freely dispose of the assigned claims in other ways without our prior written consent, e.g. by assignment to a third party (especially to finance institutions).

10.4 x

10.5 If the buyer breaches the contract, in particular if he fails to pay the purchase price, we will also be authorized to withdraw from the contract in accordance with statutory regulations and recall the goods subject to our reservation of title in order to sell them and settle the remaining debt. If the buyer fails to pay the purchase price due, we may only assert these rights if we have already set a

suitable deadline for the buyer to make the payment and such deadline has expired without result, or if any such deadline can be dispensed with in accordance with legal provisions. The buyer must on demand provide us with a list of all goods still in his possession subject to reservation of title and a list of receivables assigned to us with names, addresses of the debtors and the amount of the receivables. He will also be obliged to restore the goods to our possession and to provide us or our agents access to his offices during customary hours of business. On our request, the buyer must also show his debtors the assignment of the receivables to us. We are permitted to effect this notification of third-party debtors ourselves. At the request of the buyer, we are obliged to release those sureties in our possession at his discretion insofar as their value exceeds our claims against the buyer arising from our existing business relationship by more than 10% in total.

- 10.6 The buyer must inform us immediately by fax and in addition by letter of any access by third parties to the goods especially seizure of the reserved goods or of the assigned receivables. His notification must include all information which we need to assert our ownership or rights arising from assigned receivables. All documents, any available seizure logs, provisional bans on payment, seizure and transfer determinations and similar information and, in the case of the seizure of reserved goods also an affidavit confirming that the goods seized are identical to those in our ownership, are to be attached. All costs of measures implemented to prevent such access, especially the cost of any intervention processes, will be for the buyer's account if not already collected by the counterparty.

11 Complaints, warranty claims

- 11.1 Complaints and/or notices of defects relating to the goods supplied must be immediately specified and asserted in writing by the buyer, but at the latest within 10 days of receipt of the goods at the point of destination, if such defects are obvious. Any defects not immediately discernible on examination of the goods must also be specified and asserted in writing without delay, at the latest within 10 days of their discovery. If complaints / notifications of defects are received later, warranty claims will be disallowed. This does not affect the obligation to examine the goods properly. The cost of such examinations – also in the event of defective goods – will be borne by the buyer.

- 11.2 We accept liability for defects in the delivery as follows:

- 11.3 The statutory period of limitations is in line with the latest statutory provisions. During the statutory period of limitations, any parts which as a result of a proven circumstance occurring before the transfer of risk were unusable or seriously compromised in terms of their usability, will either be replaced by us free of charge or repaired at our discretion. In particular, faulty and/or poor materials or workmanship are to be seen as such circumstances. We do not accept responsibility for the suitability of the goods for a particular purpose. If a notice of defects is warranted only for parts of a total delivery, our warranty only applies to the faulty part. The buyer must meet the contractual obligations incumbent upon him, in particular, the terms of payment. The buyer may only withhold payments due to a defect if a notice of defects has been properly submitted within the deadline (see Clause 11.1). In such a case, the withheld payment must be in reasonable proportion to the extent of the defect that has materialised.

- 11.4 The buyer must allow us the necessary time and opportunity to fulfil any warranty claims. If he refuses to do so, we will be released from our warranty obligations and liability for defects.

- 11.5 If we allow a reasonable period of grace granted to us to elapse without remedying the defect, and if we refuse to carry out either type of rectification or any such rectification is infeasible, the buyer will be entitled to withdraw from the contract relating to the defect or claim a reduction in the price.

Rectification will only be deemed to have failed if it has not been possible to repair the defect after two attempts at reworking the goods or two deliveries of replacement parts.

- 11.6 In the case of improper alterations to the goods undertaken by the buyer or by third parties, any warranty or acceptance of liability will be voided unless the buyer can show that the defect cannot be attributed to this intervention.

- 11.7 Liability will not apply to natural wear and tear, nor to damage occurring after the transfer of risk as a result of faulty or negligent handling, excessive strain or other influences not provided for in the contract.
- 11.8 Claims by the buyer for compensation or reimbursement of expenses incurred in vain will only be recognised in accordance with Clause 12 and will not otherwise be entertained.

12 Liability

- 12.1 Unless otherwise defined in these conditions including the following provisions, we will be liable in accordance with statutory regulations in the event of a breach of contractual and non-contractual obligations.
- 12.2 We will be liable for compensation – for whatever legal reason – as part of our liability in tort in the event of wilful intent or gross negligence. In the case of simple negligence, we will only be liable, subject to statutory liability restrictions (e.g. due diligence in our own affairs; insignificant breach of obligation)
- a) for damages resulting from injury to life, limb or health,
- b) for damages resulting from the breach of a material contractual obligation (obligation which has to be fulfilled to enable the contract to be properly enacted in the first place, and which the contractual partner normally relies on to be respected and can rightfully rely on); in this case, however, our liability will be limited to foreseeable damage that typically occurs.
- 12.3 The liability restrictions arising from 12.2 also apply in the case of breaches of obligations by or in favour of persons for whose culpable behaviour we are responsible in accordance with statutory provisions. They do not apply if we fraudulently cover up defects or we have accepted warranty for the condition of the goods and for the buyer's claims under product liability legislation.
- 12.4 The buyer can only withdraw from or terminate the contract due to a breach of obligations not constituting a defect if we are responsible for breaching our obligations. Statutory provisions and legal consequences apply in all other cases.

13 Claims

Claims arising out of this contractual relationship and all claims from the loss of or damage to reserved goods against the person responsible for the damage or his insurer can only be assigned to a third party with our prior consent in writing.

14 Place of performance

The place of performance for deliveries, payments and warranties is our head office in Hamburg.

15 Intellectual property, adwords

- 15.1 The copyright in all article texts and photos resides with us. Buyers are not permitted to use such photos without our prior, explicit consent.
- 15.2 The brand "Closed" and all trademarks are owned by us. In accordance with statutory regulations, buyers may only use the brand without our explicit consent in connection with the sale of products of the brand "Closed".
- 15.3 The a.m. regulations apply in particular if the brand or copyrighted texts or photos from articles are used in connection with Google Adwords.

16 Place of jurisdiction, applicable law

- 16.1 For all present and future disputes – including complaints regarding the documentation or cheque process – it is agreed for businesspeople as defined by the German Commercial Code, legal entities under public law or a special public fund that the sole place of jurisdiction – including for international disputes – will be the headquarters of Closed GmbH in Hamburg. The same applies if the buyer is an entrepreneur as defined by Section 14 of the German Civil Code (BGB). However, we will also be entitled in all cases to file a suit at the place of fulfilment of the delivery obligation in accordance with these provisions or any individual agreement that would take precedence or at the buyer's general place of jurisdiction. This also applies in the event that the residence or customary whereabouts of the buyer are not known, located abroad or in the process of being

relocated there. Statutory provisions taking precedence – particularly exclusive jurisdictions – remain unaffected.

- 16.2 Our terms of delivery and payment as well as contracts based upon our terms of delivery and payment are subject to German law both formally and materially. The uniform law about the international purchase of mobile items according to the Hague Accord of 1/7/1964 (Einheitliches Gesetz über den internationalen Kauf beweglicher Sachen gemäß Haager Übereinkommen vom 1.7.1964) and the uniform law about the conclusion of international purchase contracts for mobile items according to the Hague Accord of 1/7/1964 (Einheitliches Gesetz über den Abschluss von internationalen Kaufverträgen über bewegliche Sachen gemäß Haager Übereinkommen vom 1.7.1964) as well as amendments and additions to these laws will not be applied.

17 Validity of the General Terms and Conditions of Delivery and Payment of Closed GmbH

If individual provisions of the terms of delivery and payment of Closed AG should be invalid, the validity of the remaining provisions as well as of the contract itself will not be affected. An ineffective provision must be redefined or, if necessary, changed so that it most closely approximates to the original intent in a legally permissible manner.