

GENERAL SALES AND DELIVERY CONDITIONS FOR DELIVERIES FROM Thygesen & Birk FABRICS A/S

1. Sales and Delivery Conditions

Unless otherwise agreed in writing between buyer and Thygesen & Birk FABRICS A/S (hereafter called TB Fabrics), any sale should be in accordance with the sales and delivery conditions mentioned below. Thus these conditions are valid irrespective of possible conflicting or diverging conditions in buyer's valid ordinary conditions or other documents issued by buyer.

2. Quotation

Quotations not stating a special deadline for confirmation will lapse if TB Fabrics has not received a confirmation within 30 days from the date of the quotation. If nothing else has been agreed, an offer is valid for 3 months.

3. Delivery

The delivery conditions agreed upon are interpreted in accordance with the Incoterms valid at the time of the entering of the contract, at present Incoterms 2000.

TB Fabrics cannot make delivery to buyer until a guarantee from a credit insurance company is available. If a delivery exceeds the total insured outstanding debts, TB Fabrics reserves the right to demand payment of undue invoices, unless otherwise agreed upon in writing. TB Fabrics cannot be held responsible for delays resulting from a guarantee not being available on time, and in such case TB Fabrics has made punctual delivery.

TB Fabrics reserves the right to deliver ordered quantities with the following margins:

+25% / -10% on orders of less than 66 kg / 200 mts per colour.

+10% / -10% on orders of less than 200 kg / 600 mts per colour

+5% / -10% on orders of more than 200 kg / 600 mts per colour

unless otherwise is agreed upon in writing by the parties. The usual reservation is made for strikes and force majeure. In the cases mentioned, TB Fabrics reserves the right to cancel the order or postpone delivery without any obligation to compensate for any proven losses caused.

Orders delayed in delivery for more than 30 days may be cancelled by buyer. If such cancellation is wished for, this should be informed in writing to TB Fabrics. If written cancellation is not made, buyer cannot return goods pleading late delivery. On buyer's cancellation TB Fabrics is not liable to compensate for extra costs, loss of profits or other indirect losses unless TB Fabrics has acted by gross negligence. In this case compensation cannot exceed 10% of the agreed purchase price. If it is agreed that TBF is to take care of the dispatch of the goods, dispatch is made in the way TB Fabrics finds most suitable at any time.

Sales in metres: The invoiced quantity is based on measuring in connection with the finishing of the article in question. Possible deviations which may occur because of transportation and during further treatment is of no concern to TB Fabrics.

4. Payment

Payment should be made in accordance with the order confirmation. If the credit time is exceeded, buyer is liable to pay interest on the amounts due at the interest rate fixed by TB Fabrics at any time, at present 2,0% per month commenced.

TB Fabrics may also request buyer to provide satisfactory security that payment will be made on a date fixed by TB Fabrics. Payments are to be made to the address of TB Fabrics (Marsvej 5, DK-7430 Ikast). If the purchase sum is not paid in due time, TB Fabrics reserves the right to retain other ordered but not yet dispatched deliveries and/or part deliveries and prevent dispatched goods from being handed over until buyer has settled all outstanding amounts including interest and costs.

5. Quality

In connection with sale of raw materials TB Fabrics renounces any responsibility in connection with the finishing of the fabric, in case the fabric is not finished in accordance with the instructions of TB Fabrics including which dye-work to use.

Sale is taking place in accordance with samples shown and the product specification for each quality, and TB Fabrics renounces any responsibility regarding quality and colour when such deviations do not exceed from what is considered usual within the trade according to a statement obtained from an impartial, production minded person, experienced in the trade.

When raw materials are weighed, provision has been made for the moisture content.

6. Examination Duty and Complaints

Buyer is liable to check the goods on receipt. If the goods are delivered to another address than the business address of the buyer, buyer is liable to see that the goods are examined on receipt. If buyer – based on the examination – pleads that the consignment is insufficient or defective, he must – in case of visible defects – complain to TB Fabrics no later than 7 days after delivery by Air or Truck, and no later than 3 days after delivery by Ship. Regarding hidden defects, which are discovered in the cutting process, production should be ceased immediately and a complaint made. TB Fabrics will then examine the goods immediately and evaluate the possibilities of a repair/replacement delivery. Buyer cannot claim compensation for cut fabric.

A complaint should contain an exact description of the defects and flaws and should be accompanied by samples or other material enabling TB Fabrics to evaluate the defects complained about. If a complaint is accepted by TB Fabrics, the company alone is liable to replace or credit the goods by own choice. TB Fabrics will not be held responsible for more than the value of the delivered goods, and TB Fabrics is under no circumstances responsible for costs, cost increasing covering purchases from other sources, loss or profits or other direct or indirect losses.

TB Fabrics shall be liable for personal injury only if it is proved that such injury was caused by negligence on part of TB Fabrics or others for whom TB Fabrics is responsible.

TB Fabrics shall not be liable for damage to property occurring whilst the works are in the position of buyer. Nor shall TB Fabrics be liable for damage to products manufactured by buyer, or to other products of which buyers products form a part. Apart for these limitations, TB Fabrics shall be liable for damage to property on the same conditions as for personal injury.

7. Agreements with Thygesen & Birk FABRICS A/S

An order is considered accepted by TB Fabrics when an order confirmation has been issued.

8. Proprietary Rights

The proprietary rights for the delivered goods remain with TB Fabrics until payment has been made in full. If TB Fabrics finds that there is a risk that the buyer will not be able to pay for the delivered goods at maturity, TB Fabrics may retain non-delivered goods until the time when TB Fabrics has been secured a satisfactory guarantee of payment.

9. Choice of Law and Venue

Any dispute arising concerning delivery conditions or deliveries from TB Fabrics is settled by the Courts of Herning by the Danish Supreme Court (Vestre Landsret). Possible disputes are settled in accordance with the provisions of Danish law.