



GENERAL TERMS AND CONDITIONS OF SALE of the Central Association of Furniture Manufacturers

On 19 November 2003, the General Terms and Conditions of Sale were filed with the Registry of the District Court of Amsterdam under number 170/2003.

CLAUSE 1 QUOTATIONS

1. All quotations without any term of validity are free of obligation.
2. Any models, pictures, drawings and measurements shown, provided or communicated in a quotation give a general representation of the items offered. Changes in the construction as a consequence of which the actual design somewhat deviates from the intended models, pictures, drawings or measurements, but do not cause any essential alteration to the technical and aesthetic design of the items, shall not oblige the vendor to any compensation and shall not give the purchaser the right to refuse receipt or payment of the items delivered.
3. Any pictures and drawings provided by the vendor on request, will at all times remain his property and must be returned to him forthwith following the request thereto. If this is not done, the holder shall owe the owner the value to be determined by the latter. This stipulation also applies if the vendor has explicitly indicated in writing that he wishes said pictures and drawings to be returned.

CLAUSE 2 ACCEPTANCE OF ORDERS

1. If such has been stipulated explicitly on a case-by-case basis, all agreements of purchase and sale are entered into by the vendor on the suspensive condition that from the information to be obtained by him it appears that the purchaser is sufficiently creditworthy.
2. Unless the vendor communicates to the purchaser in writing within 25 working days of entering into the agreement that the agreement cannot be executed due to insufficient creditworthiness of the latter, the agreement will become definite, on the understanding that the vendor may at any time make use of his right described in paragraph 3.
3. If a purchaser fails to comply with the settlement of any agreement, the vendor will at all times be entitled to demand of the purchaser that he provides sufficient security that he can meet his payment obligations, such before proceeding to the delivery and also in the case where the vendor has already executed an order entirely or in part.
4. Orders taken by representatives are binding on the purchaser and the vendor, on the understanding that the vendor has the right to inform the purchaser within 15 working days that he cannot execute the order or cannot execute it unchanged in the case where an unchanged execution of an order received through a representative is impossible due to circumstances of which the relevant representative could not reasonably be aware, in which case the order shall be considered to be cancelled, unless the purchaser and the vendor reach an agreement.
5. Changes and cancellations of orders made by the purchaser shall not be valid until the vendor has declared his agreement in writing, notwithstanding the relevant stipulations of clause 5. If the vendor does not respond to the request for change or cancellation within 15 working days, he will be considered to agree to it.
6. If the vendor has given a written order confirmation, the contents of which differ from what the purchaser ordered in writing or the delivery time differs from the delivery time desired by the purchaser, the vendor shall point out these differences explicitly in the order confirmation or by a separate letter. If the purchaser does not respond to it in writing within 10 working days, the purchase agreement will be considered to have come into effect.
7. If an order which has been confirmed by the vendor, stating the price and delivery time agreed, is cancelled by the purchaser, the vendor will charge a reimbursement of the costs, provided that he approves of the cancellation.
8. With regard to orders with an invoice amount of less than € 230, the vendor will charge a reimbursement with regard to the higher costs. If the purchaser and the vendor have not made arrangements in this respect, a reimbursement of € 12 shall apply.
9. If an agreement of purchase and sale is concluded following a visit made by a private client of the purchaser to the showroom of the vendor, the vendor may charge the purchaser compensation for performing this service.
10. If the vendor decides to upholster the furniture ordered by the purchaser on the latter's request with any upholstery to be provided by the purchaser (so-called own fabric), or with any upholstery not held in stock by the vendor but of which he does have samples (so-called commission fabric), the agreement of purchase and sale shall take place on the following conditions:
 - a. The own fabric shall be supplied by the purchaser to the vendor carriage paid;
 - b. The vendor does not accept instructions by the purchaser for the order of fabric from a wholesaler, unless the same fabric is held by the vendor on commission;
 - c. The purchaser shall provide his own fabric remnant with a label with his name and address, the order number and the item number;
 - d. If the purchaser makes special requirements for the processing of own fabric provided by him with regard to grain direction or design without providing clear processing instructions, the vendor does not accept liability for it;
 - e. Remnants of own fabric supplied can never be claimed back or be eligible for any compensation, unless otherwise agreed in writing;
 - f. After such has been communicated to him and he has expressed his agreement to it, additional pay will be charged to the purchaser for the upholstery of own fabric which is difficult to fashion (very loosely woven fabric, design to be fashioned on the pattern, etc.), leather and imitation leather on a textile basis, as well as for upholstery in two colours, provided that such upholstery involves higher processing costs;
 - g. With regard to furniture to be upholstered with own fabric or commission fabric, the delivery time shall not commence until after receipt of the fabric. As soon as the vendor has received the fabric, he will confirm it to the purchaser.

CLAUSE 3 DISPATCH AND DELIVERY

1. If the items are sent by means of transport of the vendor or by carriers working by his order, delivery shall take place by offering the items on the ground at the warehouse of the purchaser. In this case, the items travel at the risk of the vendor until the time of delivery.
2. In all other cases delivery will have been effected as soon as the items have been delivered at the railway station or loading place of another public means of transport, located the nearest to the vendor's factories or warehouses. In these cases, the items always travel at the risk of the purchaser, even when it would appear otherwise from the transport documents, including the "insufficiently packaged" statement required by third parties, unless the purchaser has protested before the vendor immediately upon receipt. Unless the items are collected by the purchaser at the vendor's warehouse, they will travel by a locally customary means of transport at the discretion of the vendor. If the purchaser demands a different means of transport, any additional costs thereof will be at his expense.
3. All items will be transported at the expense of the purchaser, unless the freight charges have been taken into account in the price;
4. If a purchaser refuses to take immediate receipt of items delivered to him correctly and undamaged, any freight charges, storage expenses, etc., arising from such shall be at his expense.

CLAUSE 4 RETENTION OF TITLE

1. Items delivered remain the vendor's exclusive property as long as the purchaser has not fulfilled the amounts owed regarding the consideration for:
 - items delivered or to be delivered by the vendor to the purchaser pursuant to the agreement, or
 - work or services performed or to be performed also in favour of the purchaser pursuant to such agreement, as well as
 - with regard to claims for failure to comply with such agreements.With regard to these items, the vendor will also acquire the (co-)ownership right as security for all outstanding amounts vis-à-vis the purchaser, as well as for the items in respect of which the vendor loses the ownership right due to fashioning, processing, accession, specification or otherwise. As soon as the purchaser fails to fulfil one or more of his obligations vis-à-vis the vendor, all amounts owed by the purchaser will become immediately due and fully payable and the vendor will be entitled to exercise his rights arising from his retention of title, such without any notice of default or court intervention.
2. Prior to the transmission of ownership referred to, the purchaser shall not be entitled to sell, deliver or otherwise alienate the items delivered in any manner other than in accordance with his normal operations and the normal use of the items. This entitlement shall lapse at the moment a (provisional) moratorium is granted to the purchaser or the latter is declared bankrupt. The purchaser may in no event have the item coming under the retention of title serve as security for amounts owed to third parties.
3. Prior to the transmission of ownership referred to, the vendor shall have access to the items of which he has the ownership at any given time, wherever they are.
4. Upon violation of the stipulations of this clause, the purchaser shall owe a penalty of 10% of the amount owed at the time of the violation, without prejudice to the stipulations of clause 10, paragraph 6.
5. The purchaser may agree with a third party that the latter pays the purchase price for him and for that be subrogated to the amount owed to the vendor. Upon payment by a third party who is subrogated to the amount owed to the vendor, the retention of title as described in this clause shall not lapse.
6. In the case of subrogation as referred to in paragraph 5, the vendor shall deliver the retained ownership of the items for which the third party has paid the purchase price to the subrogated third party. From the time of subrogation, the purchaser will hold the items for the subrogated third party.
7. Subrogation to the amount owed by a third party as referred to in paragraphs 5 and 6 and the transmission of the retained ownership to it does not affect the fact that the purchaser may call the vendor to account for any failure to fulfil the agreements concluded between them.

CLAUSE 5 DELIVERY TIME

1. The delivery time specified will be approximate. The vendor shall undertake to keep to the specified delivery time as much as possible, but will not be liable for the consequences of any exceeding if he could not reasonably prevent it. Such exceeding shall neither oblige the vendor to any compensation nor entitle the purchaser to dissolve the agreement.
2. If it has been stipulated explicitly on entering into the agreement that delivery must take place on or before a certain date, implying that the delivery period forms an essential component of the agreement, any consequences for the purchaser arising from the delivery period being exceeded will be at the expense of the vendor, without prejudice to the right of the purchaser to dissolve the agreement.
3. If the probable delivery time referred to in paragraph 1 of this clause is exceeded, the vendor will be given a further period of delivery to deliver nonetheless. This further period of delivery will be equal to the original probable delivery time, observing a maximum of one month. If this further delivery period is exceeded, the purchaser will be entitled to dissolve the agreement without notice of default or court intervention and/or to claim compensation.



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CLAUSE 6 COMPLAINTS

1. Any complaints must be submitted in writing to the vendor within 1 year of delivery of the items. Under penalty of inadmissibility however, the complaint must be submitted in writing immediately after the purchaser has learnt of the circumstances that give cause for the complaint. Each delivery can be considered to be a separate transaction, that is, complaints related to a certain delivery do not exert influence on any earlier or subsequent deliveries.
2. Under penalty of inadmissibility of any complaints, the purchaser must inspect the items for visible defects immediately upon receipt.
3. Complaints which cannot be submitted within the established period of 1 year after delivery due to their nature or custom, may still be submitted with due observance of the stipulations of paragraphs 1 and 2.
4. Complaints with regard to items delivered by the vendor which have already been sold on by the purchaser, will only be attended to if they are submitted in writing by the purchaser, preferably by means of a fully completed furniture service form, put into circulation by the Central Association of Furniture Manufacturers.
5. If a purchaser has submitted a complaint in time, the relevant term of payment will be extended, if it had not been exceeded already, until the dispute has been settled or, if that is not possible, until judgment has been delivered.
6. In the case of an alleged attributable failure, or in other cases, the items can only be returned by the purchaser after the vendor's written agreement to that end. If the vendor does not respond within 10 working days to the purchaser's written request to that end, he will be considered to agree to it. If the vendor does not declare his agreement, he must substantiate his refusal. If goods are returned without such written agreement, this does not affect the obligation to pay the invoice amounts, while the costs arising from it will be at the expense of the purchaser.
7. Repairs on delivered furniture carried out by or by order of the purchaser, regardless of their nature or the cause for which they were carried out, will not be reimbursed by the vendor, unless he has agreed previously and in writing to such repairs being carried out.

CLAUSE 7 GUARANTEE

1. In respect of the purchaser and first user, the vendor will provide a guarantee for the furniture he delivers, counting from the day the purchaser is invoiced, insofar as it concerns defects attributable to the vendor, which defects appear upon normal use, such on the basis of the following depreciation procedure:
 - within 1 year of the invoice date:
the costs of the repair or replacement respectively, including freight within the Netherlands, will be entirely at the expense of the vendor;
 - within 2 years of the invoice date:
2/3 of the costs of the repair or replacement respectively, including freight within the Netherlands, will be at the expense of the vendor;
 - within three years from the invoice date:
1/3 of the costs of the repair or replacement respectively, including freight within the Netherlands, will be at the expense of the vendor.The abovementioned periods of time may be exceeded by four months at the most if the furniture was put into use after the invoice date.
2. Incompetent handling of the items delivered or insufficient care for them precludes any and all complaints and is not covered by guarantees, if and insofar as the complaint is related to such incompetent handling or insufficient care.

CLAUSE 8 LIMITATION OF LIABILITY

1. Insofar as legally permitted, the vendor's liability for loss caused by defects of what was delivered will be limited to the net invoice amount of it, unless the consequences of this exoneration are demonstrably unreasonably onerous for the purchaser.
2. The vendor shall never be liable for indirect loss including loss sustained by third parties or economic loss, unless the consequences of this exoneration are demonstrably unreasonably onerous for the purchaser.

CLAUSE 9 NON-ATTRIBUTABLE FAILURE

1. If the vendor is hindered in the execution of the agreement due to mobilization, threat of war, war, strike, lockout or a non-attributable failure of a different nature, he shall not be bound by any term and at the same time be entitled not to execute the agreement he concluded or not to execute it entirely, without any legal steps being required. The vendor must inform the purchaser forthwith of the occurrence of the circumstances of the non-attributable failure.
2. If the purchaser is unable to execute the agreement due to a non-attributable failure, the obvious consequence will be that he cannot be forced to compliance of same. The purchaser must inform the vendor forthwith of the occurrence of the circumstances of the non-attributable failure.
3. In all cases of non-attributable failure, the other party will be entitled to dissolve the agreement, if it cannot reasonably be expected to continue the agreement.

CLAUSE 10 PAYMENT

1. All payments must be received net in cash by the vendor within two weeks from the invoice date, without any set-off. If delivery takes place after the invoice date, the date of delivery shall be considered to be the invoice date.
2. Any possible credit notes will be settled with the next invoice and no later than within one month.
3. From the moment payment must have been made, the purchaser owes an interest payment of 1% of the invoice amount for each month, or part thereof, the due date is exceeded, observing a maximum of 10% annually.
4. The purchaser will be in default by simply exceeding the payment term or non-compliance with any obligation, but before proceeding to further measures, the vendor will make one written demand.
5. In case of non-payment of any amount due and payable, suspension of payments, application for a moratorium, bankruptcy or liquidation of the business of the purchaser, the vendor will be entitled to dissolve the agreement, or the part thereof not yet executed at such time, immediately and without any court intervention being required, and to claim back the items not yet paid, without prejudice to his right to compensation of any loss caused to him by all this. In these cases, any and all amounts owed by the purchaser to the vendor will be immediately due and payable.
6. By the mere conclusion of the purchase agreement, the purchaser will be obliged to make payment of all extrajudicial costs, including legal fees and advice prior to the proceedings, related to non-compliance by the purchaser with any obligation vis-à-vis the vendor, regardless of the interest payment referred to in paragraph 3 of this clause. Extrajudicial collection costs will amount to a maximum of 15% of the amount owed, observing a minimum of € 12.
7. If not paid on the due date, the costs referred to in paragraph 6 shall include postage of letters demanding payment, expenses charged by those entrusted by the vendor with the collection, etc.

CLAUSE 11 APPLICABLE LAW AND COMPETENT COURT

1. Any and all quotations, agreements and the execution thereof will exclusively be governed by Dutch law.
2. Insofar as they exceed the competence of the sub-district court, any and all disputes will be settled by the court of the district where the vendor is established.