

A. General Purchasing Terms and Conditions

1. General Basic Provisions

1. The following Business Terms and Conditions of the Principal - hereinafter referred-to as „SinnLeffers“ or „Buyer“ shall be valid and applicable for any and all contracts concluded between SinnLeffers and the Contractor - hereinafter referred-to as „Supplier“ or „Contractor“ with reference to the delivery of merchandise. These Terms and Conditions shall also be valid and applicable for any and all future business transactions and relations, even if they were not or will not once again be expressly and specifically covenanted and agreed upon.
2. Both the inclusion and the interpretation of these General Purchasing Terms and Conditions and the conclusion and interpretation of the legal transactions concluded with SinnLeffers / the Buyer itself shall exclusively be governed by the laws of the Federal Republic of Germany. In case of doubt or litigation the German version of these Terms and Conditions shall be governing.
3. The application of the Uniform Law on the Formation of Contracts for the International Sale of Goods, and of the Uniform Law on the International Sale of Goods under the UN Sales Convention shall be barred and precluded.
4. It is exclusively the firm of SinnLeffers GmbH which is and which acts as the Buyer.
5. All packing, dispatch, shipments and deliveries shall be done and made in line with the Delivery, Shipping and Packing Instructions of SinnLeffers GmbH Section B (currently valid version) which shall be governing and binding. Download <http://www.sinnleffers.de/lieferantenportal> (B2B).
6. All previous instructions, covenants and agreements diverging therefrom as well as SinnLeffers General Purchasing and Delivery Terms and Conditions preceding the 08/2017 version shall no longer be valid and are superseded by these present „General Purchasing Terms and Conditions“ (Effective date: August 2017)
7. The business relations created and existing between the Contracting Parties shall exclusively be governed by the respectively valid laws of the Federal Republic of Germany.

2. Conclusion of Contract

1. No contract will be concluded in a legally valid form unless and until
 - a. the EDP-verified purchase order copy with the Supplier's signature will have been returned to SinnLeffers Zentraleinkauf (Central Purchasing Department), or tacitly and implicitly by non-submission and non-return of the Notice of Refusal which is required under Section 242 of the German Civil Code within a term of 14 days after receipt of any one purchase order. In the event where a purchase order will thus have been implicitly and tacitly accepted, SinnLeffers is and will be entitled to rescind the contract within another two weeks term, until the Supplier will have made a positive statement concerning the execution of the contract within this given term and delay,
 - b. in the event where purchase orders are placed by electronic data communication and exchange, any such purchase transaction shall exclusively be governed by these present General Purchasing Terms and Conditions of the SinnLeffers GmbH of Companies. Along with the electronic acceptance of the purchase order the Supplier confirms that it is aware of and knows these General Purchasing Terms and Conditions as well as the Delivery, Shipping and Packing Instructions of the SinnLeffers in their respectively valid version and their inclusion and validity as part of the contractual relationship established by the contract,
 - c. the Contracting Partners will have signed the Order Confirmation (Sales Contract).
2. The extent of the contractually owed obligation or performance shall exclusively be governed by the EDP-verified written purchase order Sample cards which were sent in advance do not constitute and are not legally binding purchase orders.
3. Any competing other „General Business Terms and Conditions“ or any of the Supplier's order confirmations which differ and diverge from or which are in conflict or interfere with or which are supplementary to any one SinnLeffers Purchase Order shall not be or become any part of or included in the contract, unless their validity will expressly and specifically be approved of and accepted in writing by SinnLeffers. Terms and Conditions shall also exclusively apply, if and when SinnLeffers will unconditionally accept the Supplier's delivery, knowing that the Supplier's Terms and Conditions are opposed to or diverging from SinnLeffers Terms and Conditions.

3. Correspondence

Any and all correspondence relating to any one purchase order shall and may be exchanged with the Central Purchasing Department („Zentraleinkauf“) of the SinnLeffers Group of Companies only, it having to be noted that it will in all instances be required to indicate the respective purchase order number and date of purchase order or of SinnLeffers-Order- No. / Sales Contract No./ Order Confirmation-No./ Date and pertinent department or division. Subsidiary or collateral oral agreements shall not be valid unless they are or will have been confirmed in writing by SinnLeffers.

4. Price-labelling or tags

1. It shall be in accordance with SinnLeffers instructions and specifications that articles shall be provided or marked with price labels or tags, using
 - SinnLeffers price tags or
 - EAN-Code markings (in case of EDI processing and handling) using Supplier's price tags, if this will have been so agreed upon.
2. SinnLeffers price tags will be supplied and sent in line with orders at the Supplier's expense via SinnLeffers GmbH, Logistics Department. Contact: e-mail: avis.logistik@sinnleffers.de, Fax: +49 (0) 2331- 620-100, Tel. +49 (0) 2331-620-113
3. These tags shall be fixed or applied to the respective garment or item in line with instructions and specifications given. Information on such instructions or specification requirements is permanently available and can be obtained at www.woehrl.de (B2B) / tag and labelling requirements. In the event where price tags are missing or are not in line with SinnLeffers instructions or specifications, SinnLeffers shall not only be entitled to claim a contract penalty in the amount of € 0.30 per tag concerned but shall also be entitled to claim its rights under the warranty provisions of Article 8 hereof.
4. The delivery of ordered merchandise shall be implemented in line with purchase order and with SinnLeffers instructions.
5. The merchandise which is to be delivered shall be provided with SinnLeffers price tags, with due consideration to be given to specification instructions. These price tags are to be obtained from SinnLeffers GmbH, Hagen, e-mail: avis.logistik@sinnleffers.de. The price tags shall be called for in good time prior to making delivery of the merchandise concerned, with due reference to be made to respective purchase order number.

5. Sew-In Labels

1. All merchandise ordered must be delivered duly marked with labels to meet the provisions of the German Textile Marking Act, using labels in the German language with international textile care symbols, which must either be woven in or firmly attached to the individual garment or item so that they will be clearly discernible and perceptible, and pertinent markings shall also be applied on the packing or wrapping. Over and above that the following internet addresses are to be indicated in print on the reverse of the care symbol labels:

„www.sinnleffers.de“ for the trade marks or brands

In the event where labels are missing and are not in compliance with the requirements of the said Textile Marking Act or are not in line with SinnLeffers instructions or specifications, SinnLeffers shall not only be entitled to claim a contract penalty in the amount of € 0.30 for each label concerned but shall also be entitled to claim its rights under the warranty provisions of Article 8 hereof.

2. In addition to the trade mark or brand labels the Supplier's sew-in company labels and/or combination and safety labels required by the Supplier shall be sewn into each and every item. These labels shall be ordered and obtained at the Supplier's own expenses from

A list of addresses of these latter can be obtained by contacting the above address. These labels shall be fixed or applied on the garment or item in accordance with respectively given instructions. Information on these instructions is permanently available at www.sinnleffers.de (B2B) / Textil- und Pflegekennzeichnung (i.e. Textile and care markings).

3. If and when any consignments or deliveries are not or will not be in line with such given instructions or specifications SinnLeffers is and shall be entitled to either re-work such consignments or deliveries itself or have the same re-worked by third parties. The costs which will be so occasioned shall be charged to and paid for by the Supplier. A contract penalty in the amount of € 0.30 per label will be due for payment for each missing label (comp. No. 5.2). The rights and titles to which SinnLeffers is entitled under Article 8 hereof shall not be affected thereby.

6. Documents to accompany merchandise in case of imported goods

1. As a matter of principle a certificate of origin shall be enclosed with the shipping documents (comp. information given below) which go with each and every consignment, and the provisions of SinnLeffers Delivery, Shipping and Packing Instructions will additionally apply.
2. Preference documents: Movement certificates shall be enclosed with the shipping documents in accordance with applicable and valid regulations. Shipping documents required:
 - Delivery note / Packing list in triplicate containing the following information:
 - Invoice number
 - Sales number or Order Confirmation number
 - Article number

- SinnLeffers Order number / Purchase Order number
 - Article designation / Quality designation
 - Sizes
 - Total number of items or units
 - Lot definition according to colours and sizes delivered
 - Number of cartons and number of delivered items or units per carton
 - Gross weight / net weight
3. Sample consignments shall be clearly marked as such. In this context it will be required to send a Pro-Forma Invoice (for example: size Set Sample, Photo Sample, First Sample, Material Quality composition, description/ specification of merchandise), it having to be ensured that the department of destination will also be indicated.

7. Third parties' rights and titles regarding merchandises supplied and delivered

1. The Supplier shall see to it and ensure for any and all deliveries of merchandise for which it has either been acting as an agent or which it transacted and effected itself that any infringement upon any third party's or parties' rights or titles, more particularly copyrights, patent and design patent rights, trade mark rights and rights arising under or derived from the provisions of the German Unfair Competition Act will be barred and precluded.
2. In the event where any infringements were nevertheless to occur, the Supplier shall release, indemnify and hold SinnLeffers - the Buyer - harmless of any and all claims of any third party or parties, which might be asserted by the same against SinnLeffers in this context. In addition the Supplier shall hold SinnLeffers harmless of and reimburse and indemnify SinnLeffers for any and all expenditures which might be occasioned thereby, more particularly any and all expenditures having to be incurred for the defence of any and all of its rights and titles.
3. Statutory warranty claims shall not be affected thereby.

8. Warranty / Liability

1. The merchandise which is to be delivered to SinnLeffers shall meet all of those German laws and regulations which will be valid at the date of delivery of any one merchandise, more particularly the provisions and criteria stipulated by the „Lebensmittel-, Bedarfsgegenstände- und Futtermittelgesetzbuch (i.e. the German Food, Commodities and Animal Food Act), the „Bedarfsgegenständeverordnung“ (i.e. the German Commodities Regulations), and the „Chemikalienverbotsordnung (i.e. the German Regulations stipulating a Ban of Chemicals) (for instance freedom from and absence of AZO substances, limited release of nickel).

Moreover all merchandise delivered must comply with those EU provisions which will be valid and in force at the time of delivery of such merchandise, more particularly with Directive 76/796/EEC which provides for the harmonization of those legal provisions and administrative regulations of the EU member states which relate to restrictions concerning the marketing, circulation and use of certain dangerous or hazardous substances and preparations, as well as amendment directives and regulations which will have been enacted or adopted in this respect.

2. The written Declaration concerning the nature, the condition and the quality of the merchandise, which is required in this context (information thereon is permanently available at www.sinnleffers.de (B2B) / Unbedenklichkeitserklärung (i.e. certificate of non-objection)) shall either be enclosed with the confirmation of the order or reference must be had to the fact that it was already submitted at an earlier date. In the event where the attached „Confirmation concerning the Entering into Business Relations with Suppliers“ will not be returned to the SinnLeffers Group of Companies. SinnLeffers shall have the right to rescind the contract concerned.
3. SinnLeffers shall be entitled to the statutory warranty claims in relation to the Supplier. SinnLeffers may assert such statutory warranty claims on the grounds of material defects or defects of title without having to set a deadline for remedy by either re- working or replacement.
4. SinnLeffers shall be obliged to verify and check the merchandise for quality and quantity differences within a two week time period counted from the date of delivery of the merchandise by the Supplier, and if any such deficiency or shortcoming were to be detected SinnLeffers GmbH shall immediately notify the Supplier thereof. In case of obvious defects or deficiencies it shall be sufficient to send the pertinent notice in due time, in order to respect this given time period. Any one complaint or notice of latent defects or deficiencies shall be deemed to have been given in due time, if and when SinnLeffers will dispatch and send the same within a matter of three working days following the discovery of such defects or deficiencies and if such notice will then be received by the Supplier. Apart therefrom it is the provisions of Sections 377 and the following Sections of the German Commercial Code which shall apply.
5. If any claims for damages were to be asserted or enforced against SinnLeffers by any third party or parties on account or by virtue of any product-induced or product-occasioned damage or injury, more particularly under the German Product Liability Act, then the Supplier shall, upon SinnLeffers first request, release, indemnify and hold SinnLeffers harmless of any and all claims which might be raised and asserted by any third party or parties, inclusive of any and all necessary expenditures which are or will have to be incurred for the purpose of taking action in defence of any and all of its rights and titles against such claims.
6. The Supplier shall be obliged to take out and maintain a product liability insurance which will be appropriate and adequate for the merchandise concerned and which shall provide for an adequate coverage amount per personal injury/damage to

property. This shall, however, not affect or detract from any and all further-going statutory claims to which SinnLeffers GmbH may be entitled.

9. Delivery dates and deadlines / Delivery of partial shipments

1. Delivery dates and delivery deadlines shall be binding.
2. The due respect of and compliance with given delivery dates and delivery deadlines is so essential for SinnLeffers that it is, as a matter of principle, no longer interested in any one shipment the delivery of which turns out to be late. In the event where the Supplier will be unable to comply with a given delivery deadline SinnLeffers may nevertheless allow for and grant a reasonable extension of time or grace period. It is both in the case of non-compliance with a given delivery deadline and also in the case where an extension of time is or will have been granted that SinnLeffers shall not only be entitled to assert claims for damages, but shall also be entitled to rescind the respective purchase order.
3. Additionally and irrespective of the above-defined rights and titles it shall be possible to invoice those charges, costs and expenses for non-compliance with given delivery dates and deadlines to the Supplier, which are specified in No. 5.2 of SinnLeffers Delivery, Shipping and Packing Instructions

4. SinnLeffers has, as a matter of principle, no interest in the delivery of partial shipments and these are therefore not permitted.

In the event where a non-permitted partial shipment will be delivered to SinnLeffers, SinnLeffers may rescind the entire contract (cancellation of order) and the merchandise shall then be returned at the Supplier's expense. Never the less SinnLeffers reserves the right to accept partial shipments and rescind the respective contract concerned only as far as the non-delivered remainder of the order is concerned (partial cancellation).

All other contractual and statutory claims shall, as a matter of principle, not be affected by the foregoing provisions.

WARNING: If and when an order for seasonal merchandise is or will be made and partial quantity shipments are respectively to be delivered at a predetermined delivery date, such partial shipments will not be acceptable for SinnLeffers unless such partial shipments were co-ordinated in advance with SinnLeffers Central Purchasing Department („Zentraleinkauf“) in writing and were specified in writing in every detail.

10. Passing of Risk

The risk of accidental loss or destruction and the risk of accidental deterioration of the merchandise purchased by SinnLeffers shall, without any exceptions, pass to SinnLeffers with the delivery of the merchandise to SinnLeffers at SinnLeffers respectively indicated place of delivery such as it was specified in the purchase order.

11. Invoices

1. No more than one invoice copy at the most shall be prepared for each delivery note; several delivery notes shall be pooled to make one collective or summary invoice. Any one single collective or summary invoice shall, however, only relate to and cover delivery notes which relate to the same place of destination and the same delivery date.
2. In case of EDI processing it is absolutely mandatory that one invoice be generated and issued for each delivery note, and a collective or summary invoice is to be generated and issued with due reference to be made to the individual invoices covered.
3. The collective or summary invoice shall be handed over to SinnLeffers on the same day on which the delivery is or will be made. If anyone collective or summary invoice were to be either missing or was not properly and duly prepared, SinnLeffers shall be entitled to either charge and invoice a lump sum administrative fee in the amount of 50.- € or to reject the consignments concerned, while asserting its claims for damages, or return the same at the Supplier's risk and expense.
4. All invoices shall be made out in triplicate (3 copies) addressed to SinnLeffers GmbH, Verwaltung & Logistik, Bathey Str. 115 – 117, 58099 Hagen and shall contain the following particulars and data:
 - Supplier's name and address
 - Supplier's tax account number or VAT Identification number
 - Current invoice number
 - Tax rate and amount of tax due for respective consideration or payment, or else reference to tax exemption
 - Forwarding address - No. of delivery note
 - Sales Contract No. or Order Confirmation No.
 - Article No.
 - SinnLeffers Order and Purchase Order No.
 - Material quality composition, description of merchandise (Customs tariff No.)
 - Export license No. / C/O No. (No. of certificate of origin)
 - No. of Letter of Credit (if applicable)
 - Packing list No.
 - Type of shipment, date of dispatch, number of carton boxes
 - Price basis
 - Net weight per Supplier's article No.
 - Number of units or pieces per colour and size, as well as total number of pieces or items and unit purchase price per piece or unit.

12. **Payments**

1. Unless it is or will have been otherwise agreed upon in writing, all payments by SinnLeffers shall be made within a period of ten days after receipt of the invoice, deducting a 4% discount, and within thirty days, deducting a 2.25% discount. If any one supplier has joined and uses SinnLeffers Handling and Payment Scheme („Zentralabwicklung“) an additional 1% central handling and payment scheme rebate will be deducted in addition to the discount.
2. Any and all enquiries and questions regarding SinnLeffers Central Handling and Payment Scheme are to be submitted in writing only and shall be addressed to SinnLeffers Central Book-Keeping Department („Zentrale Buchhaltung“) (☎ 0049 (0)2331 – 620-0).
3. The period of time which will be allowed and governing for the validity of these payment terms and conditions shall begin with the date of receipt of the invoice, at the earliest, however, as per and with the receipt of the merchandise in the Central Goods Receiving Department („Zentrale Warenannahme“) of SinnLeffers.
4. Payment shall be deemed to have been made as soon as the remittance and transfer instructions will have been given to the bank or the check concerned will have been dispatched by posting it with the sender's postal system.
5. As far as non-German-based suppliers are concerned, payments are to be made using either one of the following alternatives
 - a. Payments by letter of Credit (L/C)
Unless it will have been otherwise agreed upon in writing payments shall be made in accordance with the terms and provisions of the International Banking Rules (Incoterms). The preparation of the paperwork and the dispatch of the documents shall be done in line with the requirements which are outlined in the L/C. The documents and information which will be required for the opening of an L/C must be received by and available for SinnLeffers two months prior to the „Ex“ delivery date, i.e. the delivery date of the merchandise to SinnLeffers Central Logistics Department.
 - b. Payments per Documents Against Payment (D/P)
 - Commercial invoice in duplicate, original
 - Packing list in duplicate, original
 - B/L in triplicate, original
 - C/O (certificate of origin), copy

When merchandise is sent by ship:

It shall be at the latest 10 days after the shipping of the merchandise that the required documents must be dispatched in the fastest possible way (by courier) directly to SinnLeffers invoice address (Import Department). This shall in particular apply for the following documents:

- Original of invoice
- Original of export license (E/L) - in so far as the same will be required
- Original of Certificate of Origin (C/O), Form A, in so far as the same will be required
- Copy of consignment note (FCR or B/L)
- Original of packing list

SinnLeffers GmbH should be advised of the bank chosen in and by the letter which is covering the shipment concerned - (Deutsche Bank or Hypo Vereinsbank).

The consignment must be accompanied by the following documents:

- Copy of commercial invoice (invoice)
- Copy of packing list.

When merchandise is transported by lorry or truck

Prior to the dispatch of the merchandise the following shall be sent directly to the SinnLeffers GmbH Invoice Address either by fax or by e-mail (easily legible !):

- Commercial invoice
- Packing list
- ATR. 1 and C/O.

Originals of ATR, Commercial Invoice and Packing List by courier to the invoice address as indicated by SinnLeffers GmbH (Import Department). The consignment must be accompanied by the following documents:

- copy of commercial invoice
- copy of packing list

When merchandise is dispatched and shipped by air freight:

When the merchandise is dispatched the required documents must be sent in the fastest possible way (by courier) addressed to the invoice address of the SinnLeffers company (Import Department).

The following documents are to be sent to SinnLeffers in the form of their originals:

- Commercial invoice
- Packing list
- C/O (certificate of Origin)
- AWB (Air Way Bill)

The following documents shall be sent to the Bank: Commercial invoice, packing list, AWB (carbon copy / copy, copy of C/O).

13. Transfers, Cessions and Assignments

1. Invoiced amounts must not be ceded, transferred and assigned either in whole or in part to any third party or parties without having obtained SinnLeffers GmbH written consent thereto.
2. Such prohibition and barring of any transfer, cession and assignment shall also apply in cases where recourse is had to the services of a factoring firm or agency.

14. Place of Performance and Venue

1. All items and documents and data received from SinnLeffers shall remain SinnLeffers property. It is only with SinnLeffers written consent that the Supplier may use and/or pass the same on to any third party or parties in any context other than the respective order or make the same accessible to or available for any third party or parties. Upon SinnLeffers request the Supplier shall return the same to SinnLeffers at the Supplier's expense.
2. The Supplier shall keep and maintain all data and information concerning or pertaining to SinnLeffers and SinnLeffers contractual relationship with the Supplier in strict confidence.
3. The invalidity of any of the provisions of the Contract or any of its elements shall not affect the validity of the other remaining provisions. The Contracting Parties shall be and are obliged to replace any invalid provision under the principles of good faith and in so far as it will be reasonably acceptable, by a valid provision which shall be equivalent to the invalid provision as far as its economic outcome is concerned, in so far as this will not result in any substantial modification of the contents of the contract. In addition it shall be the statutory provisions and stipulations which shall apply.
4. The place for performance for any and all obligations which will directly or indirectly result from the contract shall be at SinnLeffers principal place of business.
5. The place of venue and jurisdiction shall be Hagen. SinnLeffers shall, however, optionally be entitled to take legal action at some other legal venue.

Hagen, August 2017

SinnLeffers GmbH

B. Delivery, Shipping and Packing Instructions

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1. General Provisions

1.1 Principles governing these Instructions

1.1.1 Subject matter

These Instructions shall cover and shall be governing for the packaging, shipment and delivery of merchandise to the Group of Companies of

SinnLeffers GmbH
(hereinafter referred-to as „SinnLeffers“)

for the central delivery of such merchandise to SinnLeffers GmbH -
Logistikzentrum in

D-58099 Hagen – Bathey Str. 115 - 117
Telephone: 0049 (0) 2331 / 620 - 0
Fax: 0049 (0) 2331 / 620 - 100
E-MAIL: avis.logistik@sinnleffers.de

Decentralized deliveries are not covered by and are not subject to these Instructions.

1.1.2 Validity

1. These Delivery, Shipping and Packing Instructions shall be valid independently and irrespective of those conditions and terms of delivery and sale which have been agreed upon, and they are an integral part of each and every purchase contract unless it will in certain specific cases have been otherwise agreed-upon in writing. These Instructions shall also be valid and governing for the Framework Agreement concerning Sales Space Utilization in the Consignment Stock of Articles „Depot“. Any and all suppliers' terms and conditions which are not expressly and specifically acknowledged and accepted by SinnLeffers in writing shall be non-binding, even if and when SinnLeffers will not expressly raise any objection(s) to the same.
2. Both the inclusion and the interpretation of these present Terms and Conditions and the conclusion and interpretation of the legal transactions concluded with the Supplier itself shall be governed by the **General Purchasing Terms and Conditions** SinnLeffers – download from <http://www.sinnleffers.de/lieferantenportal> – and the laws of the Federal Republic of Germany. In case of doubt or litigation the German version of these Instructions shall be governing. The application of the Uniform Law on the Formation of Contracts for the International Sale of Goods and the Uniform Law on the International Sale of Goods under the UN Sales Convention shall be barred and precluded.
3. The invalidity of any of the provisions of this Contract or any of its elements shall not affect the validity of the other remaining provisions. The Contracting Parties shall be and are obliged to replace any one invalid provision in line with the principles of good faith and in so far as it is or will be mutually reasonably acceptable, by a valid provision which shall be equivalent to the invalid provision as far as its economic outcome is concerned, in so far as this will not result in any substantial modification of the contents of the contract. In addition it shall be the statutory provisions and stipulations which shall apply.
4. The place of performance for any and all obligations inclusive of the obligation to pay, which will directly or indirectly result from this Contract shall be at the principal place of business of SinnLeffers.
5. The place of venue and jurisdiction shall be Hagen. SinnLeffers shall at its option be entitled to take legal action at some other legal venue.

1.1.3 Costs

1. Transport costs will be paid by SinnLeffers in accordance with the provisions of INCOTERMS. All merchandise shall therefore be dispatched and shipped without preliminary expenses and CARRIAGE FORWARD only. National shipments of parcels shall mandatorily be dispatched „**ex works**“.
2. Consignments are to be dispatched and shipped **uninsured**. **SinnLeffers has barred carriers and forwarding agents from their statutory obligation to contract forwarders' and carriers' risk insurance policies for the territory of the Federal Republic of Germany** (i.e. it is a so-called „SLVS Verzichtskunde“) within the meaning of No. 29.2.1 of the German General Conditions for Forwarders („ADSp“). SinnLeffers will not allow or pay for any insurance costs that might be charged and invoiced to it.
3. If any deliveries are to be made SinnLeffers address free of charge and if the respective freight costs are or will be shown in the Supplier's covering invoice, the acceptance of such shipments and of such invoicing and payment will be refused and any amounts which may be so charged for freight will be charged back. Any and all deliveries made in replacement of articles which were subject to complaints shall, as a matter of principle and as a rule, be sent free SinnLeffers address.
4. Any and all extra costs which may be incurred for freight, postage and other incidental costs and expenses, as well as for all delays which are occasioned by non-compliance with these SinnLeffers Instructions, shall be at the Supplier's expense and charge.

If other traffic carriers will be used for the transport of the merchandise, or if the forwarding and carriage provisions are or will be changed by the Supplier, it shall be deemed that the shipping condition „frei Haus“ (free SinnLeffers address) shall have been agreed upon. SinnLeffers will not accept and pay for any freight costs and cartage or haulage charges which might be invoiced to SinnLeffers.

Any and all transport damage which is due to insufficient packing shall be at the Supplier's expense, which shall also apply in those specific cases where and regardless of the fact that SinnLeffers is assuming the transport risk.

Any and all costs accruing for the sufficient, transport-proof, environmentally friendly, ecological and recyclable packing of the merchandise shall be paid for by the Supplier.

5. In those cases where consignments are dispatched and shipped from within the European Union (EU), the merchandise concerned shall, as a matter of principle and as a rule, be shipped uninsured and ex works (EXW), the only exception to this rule being Italy (= free Italian border).

In those cases where consignments are to be dispatched and shipped from EFTA States the merchandise concerned shall be shipped and delivered ex works carriage forward (EXW), or free German border (DAF).

IMPORTANT NOTE

Payment of any and all government taxes and fiscal dues (turnover tax on imports, customs duties) shall be handled, processed and paid through SinnLeffers deferment account. An assignment of the right to collect merchandise is to be made to **DHL-Solution GmbH, Essen**, or to **Logwin Air + Ocean, Deutschland GmbH, Viersen**.

If and when SinnLeffers will order any merchandise on a „customs-duty paid – untaxed“ basis, reimbursement of the net import turnover tax without any incidental costs or charges will go to that particular customs agent who will have been commissioned by SinnLeffers.

6. The Supplier shall pay for those costs which will have to be incurred in order to ensure compliance with these Instructions. Any and all extra costs and losses which may be caused for SinnLeffers due to non-compliance with these Instructions shall be at the Supplier's charge and expense. A list of applicable cost rates is given in Article 5 hereof.

1.2. Basic principles governing delivery of merchandise

1. Legal Basis („ADSp“), i.e. German General Conditions for Forwarders) / Passing of Risk

All forwarding and shipping documents shall be filled in and dispatched in accordance with ADSp terms and conditions (most recent version) and in accordance with the instructions that will be given by the carrier company which will have been commissioned by SinnLeffers. Shipment and delivery shall, as a matter of principle, be made at the Supplier's risk.

2. Basis for deliveries of merchandise

The basis for every delivery of merchandise shall be the purchase order placed by SinnLeffers Purchasing Department. All the provisions and covenants contained in the respective purchase order concerning and specifying the volume, the type and the contents of any one delivery of merchandise shall be complied with. Such compliance shall also include compliance with the prescribed labelling requirements.

3. Partial deliveries

SinnLeffers has, as a matter of principle, no interest in the delivery of partial shipments and these are therefore not permitted. In the event where a non-permitted partial shipment will be delivered to SinnLeffers, SinnLeffers may rescind the entire contract (cancellation of order) and the merchandise shall then be returned at the Supplier's expense. Never the less SinnLeffers reserves the right to accept partial shipments and rescind the respective contract concerned only as far as the non-delivered remainder of the order is concerned (partial cancellation).

All other contractual and statutory claims shall, as a matter of principle, not be affected by the foregoing provisions.

WARNING: If and when an order for seasonal merchandise is or will be made and shipments of partial quantities are respectively to be delivered at a predetermined delivery date, such partial shipments will not be acceptable for SinnLeffers unless such partial shipments were co-ordinated in advance with SinnLeffers Central Purchasing Department („Zentraleinkauf“) in writing and were specified in writing in every detail.

4. Delivery dates and deadlines

As a matter of principle SinnLeffers expects and takes it for granted that all consignments will be delivered in due time such as it was specified in SinnLeffers purchase order. In the event where consignments are or will be delivered either late or before the predetermined date, SinnLeffers shall be entitled to claim and charge the costs as specified in No. 5.2 in addition to the general rights which it has under the SinnLeffers Purchasing Terms and Conditions.

5. Pooling of shipments

All consignments which are to be shipped on one and the same date of dispatch and which are meant for and addressed to one and the same destination shall be pooled so that they will all constitute one consignment (one con-

shipment note), such merchandise to be grouped separately in articles which are to be shipped horizontally packed and articles which are to be shipped suspended on hangers.

If and when articles suspended on hangers and articles packed in horizontal flat array are shipped and delivered at the same time, it will for technical reasons be required to prepare separate delivery notes for each such type or group of merchandise.

This shall equally apply for deliveries which are or will be made under and in accordance with the Framework Agreement concerning Sales Space Utilization in the Consignment Stock of Articles „Depot“.

Goods or articles sent on commission, in repair for defective articles, sample consignments and rebates in kind shall clearly be marked as such and it will for these goods or articles also be necessary to specify the particular department for which such articles are destined (e.g. Purchasing Dept.).

6. Advance notification of delivery

Advance notification to be given by contract carrier

As soon as the contract carrier will have been notified of any one shipment by the Supplier the contract carrier shall notify SinnLeffers Logistik accordingly, providing the following information:

- Date of delivery
- Place of delivery
- SinnLeffers purchase order/order No(s.) with indication of delivery date specified in purchase order.

For articles delivered in flat horizontal packing array

- Number of pallets/number of cardboard boxes making up consignment
- Volume/cbm and gross weight of consignment
- Number of items contained in consignment

For articles delivered suspended on hangers:

- Number of easy-to-handle units making up consignment
- Number of items of merchandise making up consignment

7. Definition of terms

Delivery date or deadline

Not applicable in case of deliveries made on basis of Framework Agreement Concerning Sales Space Utilization in the Consignment stock of Articles „Depot“.

The delivery date which is specified in the purchase order is or is to be the date when the respective consignment of merchandise is delivered to SinnLeffers Goods Receiving Department.

Packing of consignments of goods which are to be specifically compiled for and addressed to predetermined SinnLeffers stores

This is absolutely mandatory when deliveries are and will be made under the Framework Agreement concerning Sales Space Utilization in the Consignment Stock of Articles „Depot“.

Any one article / order shall be deemed to be packed so as to meet the requirement of being specifically compiled for and addressed to a predetermined SinnLeffers store, if the respective packing unit contains nothing but those articles which were ordered for one predetermined SinnLeffers store.

Composition of lots

One lot shall comprise and shall be composed of a predetermined quantity of colours of one size or sizes of one colour of one specific article / purchase order.

Packing to contain nothing but exactly the same articles of the same colour and same size

A packing unit shall be deemed to be packed so that it contains nothing but exactly the same articles of the same colour and same size combination, if it comprises nothing but one and the same article in one colour and in one size combination / according to one order.

Articles to be shipped in flat horizontal packing array

If merchandise is or will be ordered by SinnLeffers under the heading of shipment required in flat horizontal packing array, the Supplier shall place such merchandise into one packing unit so that the respective articles will be packed in a flat horizontal packing position. If such merchandise will not be picked up by SinnLeffers own vehicles, this merchandise shall be transported by the carrier or forwarding agent in this horizontally placed condition and shall so be delivered to SinnLeffers Logistics Centre.

Articles to be shipped suspended on hangers

If merchandise is or will be ordered by SinnLeffers under the heading of shipment required suspended on hangers, the Supplier shall place such articles on hangers and shall compile and pool or combine such merchandise so that it will come in the form of either easy-to-handle units or in the form of consignments which are ready to be dispatched to the respective SinnLeffers stores. The types of hangers the use of which is required and prescribed are specified in No. 4.2.2. of these Instructions. If such merchandise will not be picked up by SinnLeffers own vehicles, the carrier or forwarding agent will transport this merchandise in this hanger-suspended condition and the merchandise will so be delivered to SinnLeffers Logistics Centre.

2. Choice of carrier or forwarding agent / List of commissioned carriers and forwarding agents

2.1 Articles which are to be shipped in flat horizontal packing array

Carriers or forwarding agents for consignments to be shipped within Germany
 German shipments are shipments of merchandise which are delivered to SinnLeffers respective carrier or forwarding agent in Germany.

Size of consignment	Type of transport	Carrier or forwarding agent
up to 150 kg and up to 6 parcels	Parcel post - ex works - ❶	Vertriebsgesellschaft DPD GmbH, Service-Hotline 01805 – 373 - 200
more than 150 kg or 1 cbm and more than 6 parcels	Collective consignment or freight ❷	Kühne + Nagel (AG & Co.) KG (Notifikation via SinnLeffers Avis)

❶ The number of parcels making up one consignment shall be minimized as follows:

Maximum weight of one package:	20 kg
Maximum weight of one consignment:	189 kg
Maximum circumference	300 cm (circumference plus length of package)
Maximum length of package:	120 cm

In an effort to minimize freight costs SinnLeffers wishes every Supplier to combine several packages so that the maximum permissible weight of any one combined package will be raised to 31.5 kg. The other maximum parameters shall apply in analogy to the above indications.

If there are consignments which comprise more than 1 package, these packages must be marked with consecutive numbers which must be clearly visible from outside, this marking to be as follows: „Package X (X = number assigned to package) of Y packages“ (Y = total number of packages)“

❷ Collective consignments, partial freight volume consignments and complete freight volume consignments shall be shipped on Flat Euro-Pool pallets (800 x 1200 mm). The maximum packing height of any one pallet will be 1 700 mm (i.e. dimensions of pallet + merchandise).

In the event where SinnLeffers is the party paying for any such freight – in so far as SinnLeffers is paying the freight - and if SinnLeffers were to decide in any one specific case that it wishes the Supplier to dispatch any articles of merchandise as either express shipment or per air freight, these consignments shall be declared and marked as such by the Supplier. Decisions concerning the urgency of any one shipment shall exclusively be taken by SinnLeffers.

Carriers or forwarding agents handling foreign shipments

Foreign shipments are shipments of merchandise which are delivered to SinnLeffers respective carrier or forwarding agent in a country outside of Germany.

Transport route			
Area	by land	by	by air
Domestic	Kühne + Nagel (AG & Co) KG (Notifikation via SinnLeffers Avis	/	./.
Europe	Kühne + Nagel (AG & Co) KG (Notifikation via SinnLeffers Avis	/	Logwin Air + Ocean Deutschland GmbH
Overseas	./.	Logwin Air + Ocean Deutschland GmbH	Logwin Air + Ocean Deutschland GmbH

The conditions which are applicable for the choice of the type of transport to be used (parcel post, collective consignment or freight, express freight or air freight) and pertinent packing requirements shall be applicable in analogy with No. 2. above .

2.2 Articles to be shipped suspended on hangers

Choice of carrier or forwarding agent

In so far as the merchandise cannot be picked up by SinnLeffers own vehicles, SinnLeffers cooperates with the following carrier and forwarding agent for the transport of **articles which are to be shipped suspended on hangers:**

Logwin Air + Ocean Deutschland GmbH

2.3 List of commissioned carriers and forwarding agents

The following addresses of those carriers and forwarding agents which are commissioned by SinnLeffers are the addresses of the companies' head offices or the respective companies' appropriate branch offices. Lists of branch establishments, form sheets and organizational information and instructions can be obtained by contacting the listed addresses, telephone and telefax numbers and E-mail addresses.

Carriers and forwarding agents for shipments within Germany

Articles which are to be shipped in flat horizontal packing array - CARRIAGE FORWARD

DPD

„EX WORKS“ - for information
and registration contact:

Internet: avis.logistik@sinnleffers.de

Kühne + Nagel (AG & Co.) KG

Spannstiftstraße 1 – 39,
58119 Hagen

Articles to be shipped suspended on hangers - CARRIAGE FORWARD

DTL Depot 143, Meyer & Meyer Textillogistik GmbH & Co. KG

Daniel-Eckhard-Str. 18
45356 Essen

Carriers and forwarding agents for shipments to be made from outside of Germany

Articles which are to be shipped in flat horizontal packing array and articles shipped suspended on hangers (land transport)

DHL-Solution GmbH

-Importabteilung Landverkehr -

Hafenstraße 70
45356 Essen

Telephone: 0049(0)201 – 806 - 1853

Fax: 0049(0)201 – 806 – 125 - 1853

Articles which are to be shipped in flat horizontal packing array and articles shipped suspended on hangers (ocean freight)

Logwin Air + Ocean Deutschland GmbH

Helmholtzstraße 26, D-41747 Viersen

Telephone: 0049 (0)2162-10206-22

Fax: 0049 (0)2162-10206-66

Internet: <http://www.logwin-logistics.com/de> or their nearest branch establishment

Articles which are to be shipped in flat horizontal packing array and articles shipped suspended on hangers (air freight)

Logwin Air + Ocean Deutschland GmbH

Zum Gut Heiligendonk 6, D-40472

Düsseldorf

Telephone: 0049 (0)211-415568-52

Fax: 0049 (0)211-415568-46

Internet: <http://www.logwin-logistics.com/de> or their nearest branch establishment

3. Documents

All consignments which are to be delivered to the carrier or forwarding agent who is to be put in charge must be provided with full and complete accompanying documents.

3.1 Consignment notes/accompanying documents

Consignment notes / accompanying documents must include at least the following information:

- Sender (name and address)
- Consignee (name and address)
- Forwarding address according to purchase order
- Number of carton boxes constituting consignment
- Gross and net weights of consignment
- SinnLeffers Purchase order / Order No(s.)

3.2 Delivery notes

1. Delivery notes shall be sent so that they will accompany the merchandise.

In those cases where articles are to be delivered in flat horizontal packing array the delivery note shall be placed into a „commercially available“ delivery note envelope which is to be attached outside on one of the packages making up the consignment so that the delivery notes will be accessible without the carton boxes having to be opened; the carton box concerned shall be marked with the text of „**Lieferschein beiliegend !**“ („Delivery note enclosed“).

In those cases where articles are to be delivered suspended on hangers the delivery note must be placed in an envelope and shall be hung on the front hanger of one of those easy-to-handle units to which it pertains.

2. Delivery notes must provide at least the following information:

Sender (name and address)

Consignee (name and address)

Forwarding address according to order

SinnLeffers Purchase / Order number (reference to Suppliers article number !)

Designation / No.of article

Nos. of colours / designations and sizes

- Number of carton boxes making up consignment and/or number of easy-to-handle units (in case of articles which are to be delivered suspended on hangers)

Delivery quantities for each SinnLeffers purchase order / Order No.

a. In cases where packages are prepared and consigned for specific SinnLeffers stores:

- Order number of SinnLeffers
- Number of SinnLeffers store
- Number of pieces or items / articles

IMPORTANT: It must be ensured that a collective delivery note will be included !

b. In cases where merchandise is provided with price tags:

A notice indicating that merchandise is respectively provided with price tags

c. In cases of NOS articles:

A notice indicating that articles are basic or NOS articles

d. In cases where merchandise is specially advertised merchandise:

- Notice referring to specially advertised merchandise
- Indication of No. of promotion or advertised article

e. In cases where merchandise is packed in lots:

Information concerning consignment (list of types of lots, indicating number of lots for each type of lot, total)

3.3 Invoices

1. No more than one invoice copy at the most shall be prepared for each delivery note; several delivery notes shall be pooled to make one collective or summary invoice. Any one single collective or summary invoice shall, however, only relate to and cover delivery notes which relate to the same place of destination and delivery and the same delivery date (criterion: delivery address indicated in purchase order).

In case of EDI processing it is absolutely mandatory that one invoice be issued for each delivery note; a collective or summary invoice is to be generated with due reference to be made to the individual invoices covered.

The collective or summary invoice shall be handed over to SinnLeffers on the same day on which the delivery is made. If any one collective or summary invoice were to be either missing or was not properly and duly prepared SinnLeffers shall be entitled to either charge and invoice a lump sum administrative fee in the amount of 50.- € or to reject the consignment concerned while asserting its claims for damages, or to return the same at the Supplier's risk and expense.

The address to be used for all invoices covering SinnLeffers purchase orders is

SinnLeffers GmbH
Finanzbuchhaltung
 Batheyerstraße 115-117
 D-58099 Hagen

2. Invoices referring to purchase orders must at least contain the following information and data:

- Sender (name and address)
- Consignee (name and address)
- Supplier's tax account number or VAT Identification number
- Current invoice number
- Tax rate and amount of tax due for respective consideration or payment, or else reference to tax exemption
- Forwarding address in line with purchase order, pertinent delivery notes with indication of delivery note No(s).
- Article designation/article No.
- Quantity of each article delivered

in case of consignments of goods which are to be specifically compiled for and addressed to predetermined specific SinnLeffers stores

IMPORTANT: It is mandatory that a collective or summary invoice be prepared !

4. Requirements to be met by packaging / marking

4.1. Principles which are basically applicable for all articles which are to be delivered in flat horizontal packing array

Protection of merchandise

Packaging must be such that it will provide optimum protection for the merchandise against mechanical strain (pressure, impact) and adverse climatic influences (moisture, temperature) while in transit from the producer all the way to the retail outlet. It shall be suited for the respectively chosen way of transport or transport route (e.g. sea-worthy packing, etc.)
 In addition the packing is to be such that it will impede stealing of the merchandise so packed.

Minimization of packing

While considering and taking account of the foregoing paragraph an effort is still to be made to minimize both the dimensions and the weight of the packaging used for any one type of merchandise.

Information function of packing

All packing units shall be marked in such a way by means of adhesive labels that the merchandise contained therein can be easily identified.


4.1.1 Packing materials/Packing means to be used for articles which are to be delivered in flat horizontal packing array

The only materials which may exclusively be used for packing purposes shall be paper, carton, cardboard for parcels in which the merchandise will be packed, and transparent poly-ethylene (PE-LD) for the bags in which the merchandise is to be placed. There may also be cases where it may be necessary for the merchandise to be placed in a bag before it will be put in a parcel. Adhesive tape of polypropylene (PP) shall be used to seal the packages.

Markings shall be applied on the packages by attaching adhesive paper labels to them.

Where articles of merchandise have particularly delicate parts or areas they shall be protected against being damaged by zip-fasteners, buttons, etc. This shall be done by using supplementary packing means or materials such as paper wrappings or cardboard cases or envelopes. The use of these supplementary means shall be limited to that extent which is required to ensure proper protection of the merchandise.

Preference shall be given to the use of re-usable packing means and packing materials which consist of secondary raw materials. All packings and packaging components which consist of synthetic material shall be marked in accordance with the provisions of the DIN 6120 Parts 1 and 2 DIN 7728 Part 1 standards.

Code number	1	2	3	4	5	6	7
							
Marking	PET	PE-HD	PVC	PE-LD	PP	PS	O

The marking shall be indicated below the recycling symbol; the code number shall be indicated within the symbol. The marking shall be printed on or stamped into the material.

4.1.2 Single article packing in case of articles which are to be shipped in flat horizontal packing array

The use of poly-bags used for the separate packing of individual articles before the same are placed in a parcel shall be avoided to the best possible extent. Such individual bags shall only be used if there is no other way to ensure that the articles will be sufficiently kept together within the packages concerned. And even if that were found to be necessary the use of such bags is to be kept at an absolute minimum by placing several articles into one single poly-bag.

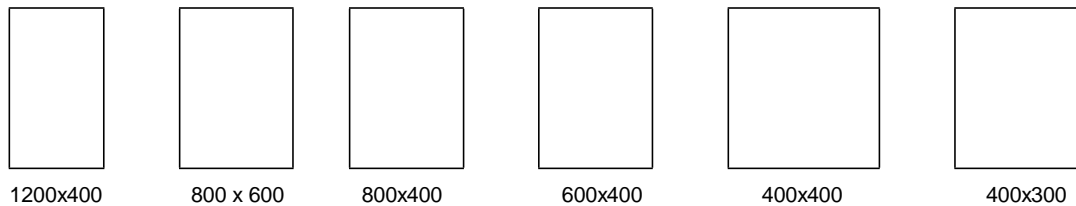
In those cases where merchandise is shipped and delivered directly from Turkey and any of the Far East countries single article packing in poly-bags is an absolute mandatory requirement.

4.1.3 Transport packing for articles to be shipped in flat horizontal packing array

Dimensions

Transport packing shall be so designed that the volume of air contained within any one package is minimized and that package modules can be easily stacked.

As a matter of principle packages are to be so dimensioned that they can be packed in flush packing order on Flat Euro-Pool pallets (base surface 800 x 1200 mm), such as, for instance:



It is recommended that the articles to be packed be placed in carton or cardboard parcels having the outside dimensions of 600 x 400 x 390 mm (lwh) as far as this will be possible.

The weight of any one individual packing unit must not be any more than 20 kg.

In those cases where several types of articles are to be put together within the same packages or parcels there are three different modes of procedure which are respectively to be followed:

1. Packing in those cases where the package to be delivered contains nothing but the same article of the same colour and the same size

If any one order requires the Supplier to deliver nothing but the same article of the same colour and the same size, such articles are to be packed as follows:

As far as possible it shall only be articles of one type or category specified in one specific purchase order scheduled for one specific delivery date, which are to be placed in one packing unit.

If the volume of one and the same article of one and the same type or category specified in any one order is not sufficient to fill a parcel having the standard dimensions of 600 x 400 x 390 mm (lwh), then several sizes of one and the same article in one and the same colour types or categories of one article specified in one and the same purchase order shall be put together in one parcel.

In that context the following procedure shall be followed:

In the first place all sizes of one specific colour ordered shall be placed in one packing unit in a sequence from smaller to larger sizes, before the next colour will be put into the package in accordance with that same scheme. Even when a package contains exactly the same type of articles also in terms of colour and size, the packing units shall not exceed the above-specified maximum dimensions and maximum weight.

If the volume of the merchandise made up by one article / order will not be sufficient to fill a parcel having the standard dimensions of 600 x 400 x 390 mm (lwh), then the Supplier shall pool and pack several orders of one consignment / for one delivery date for one group of articles in one parcel. In this particular case the packing units shall not exceed the above-specified maximum dimensions and maximum weight either.

In the event where several types or categories of articles will be placed in one parcel, these types or categories shall be separated from each other by placing each one group together in separate poly-bags so that it will be possible to easily and clearly distinguish types or categories from each other.

If any one parcel contains articles originating from and relating to several purchase orders, these articles as well as the respective categories shall also be separated from each other in such a way that individual types or categories can be clearly assigned to their respectively corresponding covering orders. It is an absolute requirement that types or categories of articles delivered for different orders must not be mingled with each other.

2. Packing in those cases where merchandise is delivered in lots

In those cases where the purchase order requires the Supplier to deliver the merchandise in lots defined in the order, the packing of the goods which are to be so delivered shall conform precisely to the way which was demanded and prescribed in and by SinnLeffers purchase order.

3. Packing in those cases where deliveries are consigned to be delivered to any one specific SinnLeffers store

These requirements must be mandatorily complied with in doing business under the Framework Agreement concerning Sales Space Utilization in the Consignment Stock of Articles „Depot“.

In those cases where the purchase order requires the Supplier to deliver the merchandise in pre-determined consignments which are to be specifically addressed to any one of SinnLeffers stores, the goods which are to be so delivered must be packed precisely the way which was demanded and prescribed in and by SinnLeffers purchase order. In such a case it will be permitted to pack several articles / orders which are destined for one and the same SinnLeffers store in one and the same parcel or package.

As a matter of principle these articles / orders shall then be separated from each other by respectively putting them together in one poly-bag which shall be marked by both the purchase order number and the number of the SinnLeffers store concerned. It will by no means be permitted that different articles/ orders and deliveries destined for different SinnLeffers stores will be mingled with each other.

The packages to be shipped must be fully marked and identified by the numbers of all those orders which are contained therein and the numbers of SinnLeffers respective stores for which they are destined. The information and data contained in SinnLeffers purchase order shall be the binding criteria for the Supplier to decide on which of the packing modes A, B and C will have to be used and complied with.

4. Sturdiness

The sturdiness of the packing units shall be such that it will hold or stand five times their own weight.

5. Sealing

All packing units shall be closed and sealed by means of firmly sticking adhesive tape, which should preferably consist of polypropylene.

6. Palletizing

Palletizing will be permitted for consignments originating from Germany and the Benelux countries only. Pallet packing shall be used for all shipments where one consignment consists of more than 6 parcels and the total weight is more than 150 kg.

Goods are palletized when small consignments or part loads and full loads are handed over and delivered duly packed on Euro-Pool-type flat pallets und properly secured (e.g. by stretch material). If the size or the volume of any one order so permits, then the surface of one pallet shall be packed all over up to a minimum height of 1 000 mm.

The maximum packing height of any one pallet shall be 1 700 mm (pallet dimensions + merchandise).

All pallets shall as a rule and as a matter of principle be fully covered with a wrapping of polyethylene (PE) film material the seams of which shall be welded together, with each of these pallets to be individually and completely encircled by suitable taping.

In those cases where pallets are used, there are two different modes of procedure which are alternatively to be followed:

A. Pallet-packing in those cases where the consignments to be delivered contain nothing but the same article of the same colour and the same size.

If any one purchase order requires the Supplier to deliver consignments containing nothing but the same article of the same colour and the same size, and where these articles are to be packed pooled together on one pallet, such articles are to be packed on pallets as follows:

- As far as possible care should be taken that it should only be the same article of the same colour and the same size which will be packed on one and the same pallet.
- If the volume of the articles of one type or category of articles of any one purchase order is not enough to sufficiently fill one pallet, then articles covered by one and the same order but of several colours and several sizes shall be put together on one pallet.
- If the volume of the merchandise made up by one article / one purchase order will not be enough to sufficiently fill one pallet, then the Supplier shall pool and put several orders of one consignment/for one delivery date for one group of articles together on one pallet.

B. Pallet-packing in those cases where articles are to be delivered in lots

If any one order requires the Supplier to deliver articles in lots which are specified in the purchase order, then such articles which are to be put together on one pallet shall be packed on pallets as follows:

- As far as possible care should be taken that one pallet packing should only contain articles comprised of one lot as specified in one purchase order for one specific delivery date.
- If the volume of the lots of articles making up for one lot consignment is not enough to sufficiently fill one pallet, then several lots of one article specified in one purchase order shall be pooled and put together on one pallet.
- If the volume of the merchandise made up by one article/one purchase order will not be sufficient to sufficiently fill one pallet, then the Supplier shall put articles of several purchase orders making up one consignment / for one delivery date for one group of articles together and group the same on one pallet.

The particulars indicated in SinnLeffers purchase order shall constitute the binding criteria in accordance with which the Supplier shall palletize merchandise to meet the requirements of either point A or point B above.

4.1.4 Marking of Packing in those cases where articles are to be delivered in flat horizontal packing array

1. Information which must be provided

All packing units must be marked with the following information:

- Sender (name and address)
- Consignee (name and address)
- Forwarding address according to purchase order
- Number(s) of delivery note(s)
- Number of packing unit/total number of packing units making up the consignment
- Contents of packing unit with indication of quantities contained therein
- Note referring to price marking

2. Additional information required in cases where packages are prepared and consigned for specific WÖHRL stores:

- Indication of No. of SinnLeffers store
- Indication of number of pieces or items/articles

3. Information required in cases where merchandise is packed in lots:

- Indication of lot type
- Description of composition of lots according to colour and sizes
- Number of lots

4. Information required in cases where merchandise is specially advertised merchandise:

- Marking by the indication of „Werbung“ (advertised articles)
- Indication of advertised article No(s).

5. Information required in cases where consignment of merchandise is made up by basic or NOS articles:

- Marking by indication of „NOS“

6. Information required in case of transport by air

- Marking by indication „by air“.

7. Type of writing or marking to be used

Markings shall be written either in the German or in the English language. The markings must be written in large and easily legible Latin-type letters and Arabic figures.

8. Mode of application of markings

Parcels shall be marked with appropriate information on at least one of the outside faces of every parcel (no markings or writings to be applied on the top or bottom faces of parcel !).

When poly-bags are used markings shall be applied in the form of stick-on labels. Poly-bags shall, however, not be provided with any markings or writings, unless one package contains several types or categories of articles or merchandise destined for several SinnLeffers stores.

4.2 Principles which are basically applicable for all articles which are to be shipped suspended on hangers

Protection of merchandise

Packing must be such that it will provide optimum protection for the merchandise against mechanical strain (pressure, impact) and adverse climatic influences (moisture, temperature) while in transit from the producer all the way to the retail outlet. As it may occur that there will be several instances or times where the merchandise will be put in intermediate storage and will only then continue its way, the packing shall be such that it will be fully suited for the respectively chosen way of transport or transport route.

Minimization of packing

While fully considering and taking account of the foregoing paragraph an effort is still to be made to minimize the use of packing material.

Information function of packing

The packing shall be marked in such a way that the merchandise contained therein can be easily identified in SinnLeffers Logistik facilities or centres.

4.2.1 Packing materials / Packing means to be used for articles which are to be shipped suspended on hangers

The only material which may exclusively be used for packing purposes shall be polyethylene (PE-LD). Film sheets consisting of this material must be transparent.

All markings which are required for the packing units shall be written on adhesive paper labels which are to be attached on every unit. Preference shall be given to the use of re-usable packing means and packing materials which consist of secondary raw materials. All packings and packaging components which consist of synthetic material shall be marked in accordance with the provisions of the DIN 6120 Parts 1 and 2 and DIN 7728 standards.

4.2.2 Single article packing / Hangers for articles which are to be shipped suspended on hangers

All hangers which will be used for the shipping of garments which are to be shipped suspended on hangers must meet the following criteria and requirements:

- Hangers must be made of polystyrene (PS), must be of clear transparent material and must not have any imprints on them
- Hangers must be provided with a hook which must be difficult to be turned around or rotated
- Hangers must be suited for processing and handling in and by maximum speed conveyor systems which operate at maximum speeds.

Non-returnable hangers for garments which are to be delivered suspended on hangers are to be obtained from

CORONET Kunststoff-Werke GmbH

Windhofstrasse 12, D-64689 Grasellenbach/Odw.,

Telephone 0049 (0)6207 / 6030

Fax 0049 (0)6207 / 60316

e-mail: info.cw@coronet.de

HAKA / DOB (U1 / Sports)	Articles	F01_43
	Knitwear	F01_43 non-slip coating
	Knitwear high quality	F2_44 non-slip coating
	Jackets, blazers, sports jackets , leather	F1_45
	Suits, ladies' trouser suits, ladies' suits,	F1_45 crossbar
	Trousers and pants, skirts, shorts	KL1_40
KIKO	Articles (T-shirts, sweatshirts, shirts, blouses, dresses, etc.)	Baby F01_26 / Children F01_33
	Jackets	Baby F2_32 / Children F2_38
	Set	Baby F2_32 crossbar / Children F2_38 crossbar
	Trousers and pants, skirts	KL1_25

Hangers shall be supplied without any foam material applications (except for hangers as specified in para. 6.2.3).

If hangers of any other type or types were to be used, the costs for the prescribed hangers will be charged and invoiced (compare CORONET Price List).

When garments must be shipped suspended on hangers, all consignments which are to be dispatched in this manner and which consist of several individual items or units, shall be combined to form so-called easy-to-handle units („GE“) which shall be contained in overall wrappings with sealed bottom ends and made of non-printed polyethylene (PE-LD). Each and every overall wrapping shall on its outside be provided with an adhesive label which must be visible from the outside, with these labels to be consecutively numbered, indicating information on consignee-sender as well as the following numbering: „easy-to-handle unit **X** (X = No. of easy-to-handle unit) out of **Y** easy-to-handle units“ (Y = total number of easy-to-handle units)“. All such wrappings must be suited for re-use.

4.2.3 Transport packing to be used for articles which are to be shipped suspended on hangers

1. Overall wrappings

Individual articles of merchandise shall be put together to form easy-to-handle units and shall be packed accordingly. The packing material to be used are bags of film material, which must be completely closed and sealed except for an opening for the hanger hooks. It will not be permitted to use any spacers nor must any adhesive tape be wrapped around the hanger necks. Easy-to-handle units shall be held together by means of rubber band.

Easy-to-handle Units	
Easy-to-handle units comprising 5 units or items of merchandise	Easy-to-handle units comprising 10 units or items of merchandise
5 overcoats	10 dresses
5 bath-robos	10 trousers, pants, shirts
5 jackets, blousons	10 skirts
5 suits, ladies' trouser suits	10 waistcoats or vests
5 ladies' suits	10 dressing gowns and house coats
5 children's jackets	10 night dresses and shirts
5 Suits with sports jackets jackets, pants and trousers (jackets, tops, trousers, skirts and shorts)	10 sweaters
5 overalls, parkas	10 house frocks and garments
5 sports jackets, blazers	10 children's garments (other than jackets)
	10 blouses, shirts
	10 T-shirts
	10 tops

When it comes to putting several types of articles together to form easy-to-handle units there are three different modes of procedure which are respectively to be followed:

A. Easy-to-handle units in those cases where consignments are to be delivered which are to contain nothing but the same article, in the same colour and of the same size

In those cases where the purchase order requires the Supplier to deliver consignments which are packed in such a way that they comprise nothing but the same article, in the same colour and of the same size, the articles which are to be packed shall be put together as follows to form easy-to-handle units in the following manner and way:

- Whenever possible one easy-to-handle unit shall comprise nothing but one and the same article in one colour and of one size, which are to be delivered in accordance with one and the same purchase order for one specific delivery date. In this context it will mandatorily be required that the above information concerning the number of articles making up one easy-to-handle unit must be respected.
- If the number of articles in one colour and of one size which are to be delivered in line with one purchase order is not sufficient to form one complete easy-to-handle unit on the lines of the above-specified particulars, then different colours and sizes of one article specified in one purchase order shall be put together to form one easy-to-handle unit.
- The procedure which is then to be adopted shall be as follows: In the first place all sizes ordered in one colour shall be grouped and put together in an ascending sequence to form one easy-to-handle unit, before the next colour will be packed in line with that same scheme.

B. Easy-to-handle units in those cases where delivery is to be made in lots

In those cases where the purchase order requires the Supplier to deliver the merchandise in lots, the articles which are to be packed shall be pooled and put together to form easy-to-handle units in precisely the way which is specified and prescribed in SinnLeffers purchase order.

C. Easy-to-handle units in those cases where delivery is to be made in consignments which are to be compiled for and shipped to specific SinnLeffers stores

In those cases where the order requires the Supplier to pack and deliver the merchandise in consignments which are to be compiled for and shipped to specific SinnLeffers stores, the articles which are to be packed in these consignments shall be put together and packed in precisely the way which is specified and prescribed in SinnLeffers purchase order, i.e.:

- The packing must be such that one easy-to-handle unit will comprise and cover nothing but one article / purchase order for one SinnLeffers store.
- The package which is to be shipped must be marked with SinnLeffers order number for the articles which are packed therein, and the number of the SinnLeffers store concerned.
- The particulars specified in SinnLeffers purchase order shall be mandatory and binding for the Supplier who will have to clearly distinguish the criteria which have to be followed for consignments which are respectively to be packed according to the requirements of A, B and C above.

2. Single Article Packing

Unless it is explicitly specified in the purchase order in those cases where particularly delicate textile articles need to be specifically protected, individual articles shall not additionally be individually packed or wrapped. If any one purchase order calls for individual packing of single articles, the Supplier shall use film packing material which must be fully closed or sealed at its bottom end.

4.2.4 Marking of packaging for articles which are to be shipped suspended on hangers

1. Information required

All of the consignment units shall be marked with the following information:

- Sender (name and address)
- Consignee (name and address)
- Forwarding address according to purchase order
- Number(s) of delivery note(s)
- No. of easy-to-handle unit / total number of easy-to-handle units contained in consignment
- Note referring to price marking

2. Additionally required information in cases where packages are prepared and consigned for specific SinnLeffers stores:

- Indication of No. of SinnLeffers store
- Indication of number of pieces or items / articles

3. Additional information required in cases where packages are prepared and consigned in lots:

Indication of type of lot
Description of composition of lot in terms of colours and sizes
Indication of number of lots

4. Additional information required in cases where merchandise is specially advertised merchandise:

Note referring to specially advertised merchandise by the marking of „Werbung“ (advertised articles)
Indication of No. of advertised article

5. Additional information required in cases where merchandise consists of basic or NOS articles:

Marking by indication of „NOS“ articles

6. Additional information required in cases where merchandise is to be shipped by air:

Marking by indication „by air“.

7. Type of writing or marking to be used

Markings shall be written either in the German or in the English language. The markings must be written in large and easily legible Latin-type letters and Arabic figures.

8. Mode of application of markings

Articles shipped suspended on hangers shall be marked either by means of a tag which is to be hung over the front hanger of one easy-to-handle unit, or by means of an adhesive label which is to be applied to the global wrapper. If any one easy-to-handle unit comprises several types of categories of articles, these shall also be identified by tags which shall be hung over the front hanger of the respective type or category of article, or by means of an adhesive label which shall be applied on the global wrapper (except for those cases where consignments of articles are packed to be shipped to specific SinnLeffers stores or in lots).

4.3 Costs which are to be incurred for transport packing

In so far as SinnLeffers will take care of and handle the waste disposal of transport packings for and on behalf of the Supplier, SinnLeffers will, in addition to the discount and to the central payment rebate, respectively deduct 0.2 per cent from the invoiced amount as a consideration for the pertinent costs which will consequently be charged to SinnLeffers.

5. Non-Compliance with Instructions

5.1 Principles which are basically applicable

If any of the aspects or rules of these instructions will not be complied with, this shall entitle SinnLeffers to either refuse acceptance of the merchandise, or, in the event where such merchandise will be accepted despite such non-compliance with these instructions, to charge the Supplier with those cost rates which are defined below. SinnLeffers shall then be entitled to set off its claims resulting from non-compliance with these instructions against any claims which the Supplier might have against SinnLeffers. In this context it will not be relevant whether these are claims which ensue or result from the same legal transaction or business.

5.2 Costs charged for Non-Compliance

Costs will be charged and invoiced in any one of the following cases:

Choice of carrier or forwarding agent / Choice of mode of dispatch

SinnLeffers will not assume and pay for any freight costs if shipments are made through a carrier or forwarding agent other than the one who was commissioned by SinnLeffers to effect the shipment of the respective consignment, or if a mode of dispatch is chosen which is other than the one which was determined in the purchase order. Any and all such costs shall be completely and entirely be at the Supplier's expense and shall be paid by the Supplier.

Table of Costs		
Case	Basis for assessment	Value
<u>Governing principles regarding delivery (comp. 1.2)</u>		
Incorrect delivery (quantity, size, colour, article)	per consignment	100.00 €
a) Handling costs		
b) in case of return:		
- return handling costs	per consignment	100.00 €
- transport costs for return	according to actual costs incurred	
<u>Documentation/ Freight document (comp. 3.1)</u>		
missing or incorrect contents	per consignment	100.00 €
<u>Delivery note (comp. 3.2)</u>		
missing or incorrect contents	per consignment	100.00 €
incorrectly applied for articles delivered suspended on hangers	per consignment	25.00 €
incorrectly applied for articles delivered flat or horizontally packed	per consignment	50.00 €
missing summary delivery note for delivery packed and consigned for specific SinnLeffers store without EDI	per delivery	50.00 €
<u>Invoice (comp. 1.2 and 3.3)</u>		
missing or incorrect contents	Invoice delivery	25.00 €
missing / incorrect summary invoice in case of EDI processing		50.00 €
<u>Delivery date (comp. 1.2)</u>		
premature delivery more than 5 days early (counted from acceptance of delivery by SinnLeffers, if SinnLeffers pays for freight)	per consignment	50.00 €
single processing / handling fee	per item	0.004 €
warehousing costs per day and item in case of merchandise delivered in flat horizontal packing	per item	0.007 €
warehousing costs per day and item in case of merchandise delivered suspended on hangers		
Delivery more than 5 days late (counted from acceptance of delivery by SinnLeffers, if SinnLeffers pays for freight) Handling and processing costs	per consignment	100.00 €
when more than 14 days late, costs incurred for handling return of merchandise may also be charged plus return transport costs	per consignment according to actual costs incurred	100.00 €
<u>Labelling (comp. 1.2)</u>		
incorrect labelling	per item	0.30 €
<u>Packing (compare 1.2, 4.1.3 and 4.2.3)</u>		
non-compliance with purchase order requirements concerning delivery according to types or categories, lots or WÖHRL stores,	per item	0.20 €
<u>Single item packing (comp. 4.1.2 and 4.2.2)</u>		
Handling costs for removal of non-ordered single item packings	per item	0.20 €
<u>Transport packing of items packed flat + horizontal (comp. 4.1.3 and 4.1.4)</u>		
Incorrect dimensions	per packing unit	2.50 €
Incorrect sturdiness	per packing unit	2.50 €
Incorrect seal	per packing unit	2.50 €
Incorrect palletizing (e.g. incorrect height)	per pallet	100.00 €
Incorrect pallet (one-way pallet)	per pallet	15.00 €
Sorting on pallets is incorrect	per packing unit	1.50 €
Written marking missing / incorrect	per packing unit	1.50 €
<u>Transport packing of items delivered suspended on hangers (comp. 4.2.3. and 4.2.4)</u>		
Overall wrapping incorrect	per easy-to-handle unit	0.50 €
Incorrect compiling of easy-to-handle units	per easy-to-handle unit	0.50 €
Written marking missing / incorrect	per easy-to-handle unit	0.50 €
<u>Hangers (comp. 4.2.2)</u>		
Incorrect hanger	per piece	1.00 €

6. Quality-related Shipping Instructions

General instructions concerning transport wrappings

Use is to be made of light-weight material (having thicknesses from 0.04 mm to 0.07 mm) of polyethylene (LD-PE) bags.

It will not be permitted to use any material other than that for this purpose !

Generally speaking the bags ought to have vent holes (perforations) so that the material of the merchandise can breathe and that it will not be possible for any condensation to form within the bag.

6.1 Articles to be shipped suspended on hangers

1. Size of transport wrappings for articles which are to be shipped suspended on hangers

Length of bags: 10 cm longer than garment with the end of the bag to be folded over approx. 10 cm, the fold-over to be fixed by means of transparent adhesive tape both on right-hand and on left-hand side as well as at centre point.

Width of bags: Ought to be adapted to match with **width of garment and quantity** contained in bag and should have enough clearance at sides so that merchandise will not be squeezed into bag.

2. Articles to be delivered suspended on hangers (SinnLeffers own label only)/Packing of articles to be delivered suspended on hangers according to product groups

Product group	Quantity per bag	acc. to colour and SinnLeffers store /
Blazers, jackets and sports jackets, overcoats, men's and ladies suits	1 easy-to-handle unit Exception: light-coloured items	yes yes
Light quality garments/Ladies: Blouses, tops, skirts, dresses, overalls and trousers or pants	max. 5 items Exception: Imports from Turkey and Far East: 1 item + 1 easy-to-handle unit	yes
Winter jackets, blousons, outdoor wear, ski wear	1 item	yes
Men's trousers + pants, sports-type ladies' trousers and pants	max. 5 items	yes

3. Shoulder caps for blouses, blazers and leather garments for those articles which are to be delivered suspended on hangers

are generally required for all above-specified product groups.

For all light-shade colours all garments should additionally be provided with a transparent shoulder cap in order to avoid smudging or staining of the garments in the collar area and in order to retain garment shape in collar area.

For all leather articles:

a fleece-type shoulder cap is additionally to be used, in order to also avoid bleaching of the leather material on the hanger and prevent other damage to the leather !

Size of shoulder cap:

For normal sizes, e.g. up to size 42: Width 60 x height 30 cm;

for large sizes, e.g. up to size 54: Width 70 x height 35 cm

Shoulder caps need not have any perforations, as the bottom of these caps is not sealed.

4. Plastic clips for trousers or pants with creases and blouses (ladies' outerwear)

The leg portions of trousers or pants with creases (ladies' outer wear) shall be clipped or clamped together in the front knee area. This shall be done by means of a transparent plastic clip with pads of foamed material so that the trouser legs will not shift back and forth while being transported and shipped. The foamed material pad helps to avoid pressure marks on the garment.

Blouses must be fixed in position by means of two transparent plastic clips with foamed material pad or tissue paper (properly folded in the form of strips) and a thin rubber band. The two plastic clips are to be connected by the rubber band (length approx. 10 -11 cm; thickness 1 mm). The position of the plastic clips on the finished garment is approx. 2 cm below the armhole / side seam. The pad is to be placed between the clip and the top fabric in order to avoid pressure marks. This solution helps to contract the back or the blouse body and to keep the garment more properly and steadily placed on the hanger.

6.2 Articles to be delivered packed in flat horizontal array

1. **Size of bags for flat or horizontally packed garments**

Length of bags: The open end of the bag is to be folded over approx. 5 cm. The fold-over shall be fixed on the right side, the left side and in the middle by means of transparent adhesive tape. If bags are small, such as, for example bags for shirts or T-shirts, the bag is to be closed by means of a transparent adhesive tape/surface which extends over the entire width of the bag.

Width of bags: The width of the bags used shall be adapted to match the width of the respective garment and the quantity contained therein and must be such that there is enough lateral clearance so that the garments will not be squeezed into the bag (garments must, however, not shift back and forth within the bag, in order to ensure that no extra costs will have to be incurred for re-finishing, re-processing and re-handling of the garments).

2. Flat horizontal packing of garments according to product group

Product group	Quantity per bag	Carton box packing (comp.marking of carton box)
Knitwear and hosiery	1 item	same colour and SinnLeffers store/lot
Winter jackets, blousons, outdoor garments, ski-wear,	1 item	same colour and SinnLeffers store/lot
Shirts	1 item	same colour and SinnLeffers store/lot
Socks	in one large bag (in pairs)	same colour and SinnLeffers store/lot
Blazers, sports jackets, overcoats, men's and ladies' suits	1 item, bag each item individually, but put together	
Casual suits, sleepwear Exception: silk	max. 3 items 1 item	same colour and SinnLeffers store/lot

3. Pressure-sensitive materials

If materials are pressure-sensitive (coated material quality, velvet, leather, etc.) or when material is of an extremely fine quality or nature such as, for example, silk, the hangers should be covered with foamed material and all accessories such as metal buttons, buckles and zip-fastener slide grips must be wrapped with tissue paper in order to avoid the material from getting pressure marks and shiny spots and to ensure that the material surface will not be crushed. This applies not only for articles which are to be shipped suspended on hangers but especially and in particular for articles which are to be packed flat in horizontal position.

4. Important standard rules for articles which are to be shipped in flat horizontal packing array

Ready-made garments such as blazers, jackets and sports jackets (men's and ladies' suits) and trousers with creases must be shipped and delivered suspended on hangers.

- Outdoor garments shall not be delivered in small- or under-sized carton boxes; their maximum box sizes shall, however, be no larger than 800 x 600 x 400 mm. These garments shall individually be put in bags. Jacket or cardigan sleeves shall be folded backwards. If possible these garments shall not be folded in half. Depending on thickness of garment material it shall be no more than 8 - 10 articles which are to be packed into the above- specified carton box (possibly even less, if necessary). The garments must in no case and by no means be pressed or squeezed into the carton box.
- Knitwear and hosiery shall be shipped and delivered in flat horizontally packed packing array only! As a general rule each and every one of these articles delivered in flat horizontal position must be protected on the inside by a sheet of tissue paper having approx. DIN A 4 standard size, in order to avoid pressure marks.
- Where blouses and knitwear and shirt articles have shoulder pads these pads must not be attached by means of velcro fasteners, because these might cause damage of the garments during transit. Raglan shoulder pads should be attached at two points along the shoulder seam only.
- Materials which are sensitive to pressure, such as velvet, coated or laminated material as well as leather etc. must be shipped suspended on hangers !
- If orders for any of these latter garments require the same to be shipped packed in a flat horizontal position and if this is an absolute order requirement , you are requested to please check and test the prescribed type of packing at your end by putting several garments of the type concerned into a sample package. If you will then find that this meets with any problems, you are requested to contact SinnLeffers before you will actually proceed to the delivery of the merchandise or before you will go ahead and pack all the articles concerned in a flat horizontal position packing array !

For accessories: compare No. 6.1 above.

- Tissue paper qualities: When using tissue paper for packing purposes care shall be taken to see to it that the tissue paper will not at a later point and under transport and shipping conditions (pressure, moisture, heat and lapse of time) adhere to the garments or will be difficult to take off or might even cause damage to the merchandise (especially in the case of coated or laminated material qualities !)
- Garments or articles which are to be shipped and delivered in flat horizontal packing array shall never be delivered along with a hanger, as hangers might cause damage to these articles.
- The colour of any tags which are attached to the products must not come off, nor shall the tags adhere to the garments ! Please check to make sure !
- When it comes to coated material and fabric qualities or to leather, SinnLeffers price tags must be placed and delivered in a clear plastic envelope (same size as price tag)! This shall also be mandatory for garments which are shipped and delivered suspended on hangers for all light colours !

7. Supplements to / Modifications of and amendments to Framework Agreement concerning Sales Space Utilization in the Consignment Stock of Articles „Depot“

Re. 1.1.1 - General rules concerning Instructions / Costs

All transport costs for returns of goods which are covered by the Framework Agreement concerning Sales Space Utilization in the Consignment Stock of Articles „Depot“ and by orders made on a commission or consignment basis shall be paid for by the Supplier

Re. 1.1.2 - General rules concerning deliveries

Information required in case of articles delivered in flat horizontal packing:

- Number of pallets / number of carton boxes of consignment
- Volume / cbm and gross weight of consignment
- Number of items making up consignment

Information required in case of articles delivered suspended on hangers:

- Number of easy-to-handle units of consignment
- Number of items making up consignment

Definition of terms: Delivery date or deadline:

- The definition given for delivery dates or deadlines is not applicable in a context with the Framework Agreement Concerning Sales Space Utilization in the Consignment Stock of Articles „Depot“, as there is no such thing as a pertinent purchase order.

Re 3: - Documents

Consignment notes / Accompanying documents:

- There is no obligation to indicate SinnLeffers purchase order No(s.) / Order No(s.)

Delivery notes:

- There is no obligation to indicate SinnLeffers purchase order No(s.) / Order No(s.)

Re: 4.1.3 C. - Packing of consignments specifically compiled for and addressed to individual SinnLeffers stores

- There is no obligation to indicate SinnLeffers purchase order No(s.) / Order No(s.)

Re: 4.1.4 - Marking

Required information:

- There is no obligation to indicate SinnLeffers purchase order No(s.) / Order No(s.)
- There is no obligation to indicate contents of packing units with indication of quantities.

In cases where consignments are delivered specifically compiled for and addressed to individual SinnLeffers stores:

- There is no obligation to indicate SinnLeffers purchase order No(s.) / Order No(s.)

As far as the packing of basic or NOS articles is concerned:

- There is no obligation to mark the packing with the indication of „NOS“ articles

Re. 4.2.3. C - Easy-to-handle units to be specifically compiled for and addressed to individual SinnLeffers stores -

- This requirement is mandatory for merchandise which is to be delivered under the Framework Agreement Concerning Sales Space Utilization in the Consignment Stock of Articles „Depot“

Re 4.2.4 - Marking:

Required information:

- There is no obligation to indicate SinnLeffers purchase order No(s.) / Order No(s.)

In cases where merchandise is to be specifically compiled for and addressed to individual SinnLeffers department stores:

- There is no obligation to indicate SinnLeffers purchase order No(s.) / Order No(s.)

Re: 5.2 - Table of Costs

- Delivery note with incorrect contents: This provision is not applicable
- Delivery date or deadline: This provision is not applicable
- Packing of articles which are to be shipped in flat horizontal packing array: This provision is not applicable
- Packing of articles to be shipped suspended on hangers: This provision is not applicable.

Hagen, August 2017

SinnLeffers GmbH