

INVOICE TERMS AND CONDITIONS:

American Fashion Accessories, Inc. (hereinafter “American Fashion Accessories”) and Buyer agree as follows:

1. PAYMENT: Buyer shall accept and pay for goods specified in this invoice. All goods remain the property of American Fashion Accessories until full payment has been received. Payments are due within time period specified in this invoice. Any payment not received when due shall incur late charge at a rate of 1.5% per month. Additionally, any amount due hereunder, not received by American Fashion Accessories when due, other than late charges, shall bear interest from the due date at a rate of 10% per annum. However, at no time, Buyer shall be required to pay late charge or interest in excess of the maximum allowed by applicable laws. In the event American Fashion Accessories retains an attorney to enforce its rights under the sales invoice, including, but not limited to, collection of the sum due hereunder or seeking the return of the merchandise, Buyer shall pay to American Fashion Accessories its reasonable attorney’s fees and costs. The attorney’s fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorney’s fees reasonably incurred.

2. RETURN/REFUND POLICY: Buyer has 7 days to inspect the merchandise upon receipt of goods. American Fashion Accessories will gladly exchange merchandise that is damaged from the factory. No call tags will be issued. Please call or e-mail American Fashion Accessories before sending back damaged items. American Fashion Accessories will issue you a return authorization (“RMA Number”). Goods returned without a RMA Number will not be accepted, and will be refused and returned back at Buyer’s expense. After receipt of RMA Number, Buyer shall ship the damaged goods as soon as possible. Upon receipt, defective items will be examined by our return department. If damage is a factory defect, Buyer will be credited back. If the returned item is not found defective, Buyer will be charged a 25% restocking fee of the invoiced price. Please be advised that American Fashion Accessories is neither responsible for normal “Wear and Tear” nor for “Used and Abused” products. Furthermore, American Fashion Accessories is not responsible for any loss or damage from shipping, including without limitation, delays in shipment or trucking pickup.

3. INTELLECTUAL PROPERTY RIGHTS: The specifications and designs of the goods (including the trademark, trade dress, copyright, design right, patent or other intellectual property within them) shall remain American Fashion Accessories’ property. No right or license is granted under these terms and conditions to Buyer under any patent, trademark, tradename, copyright, registered design or other intellectual property right except the right to use or resell the goods pursuant to the terms and conditions herein. Buyer, as a special inducement to American Fashion Accessories, agrees not to copy or cause to be copied or reproduced, either directly or indirectly, any designs of the goods or to use, either directly or indirectly, any of American Fashion Accessories’ trademarks or tradenames, unless specifically authorized in writing by American Fashion Accessories. Buyer shall only display the “American Fashion Accessories” name on material supplied by American Fashion Accessories or approved in writing beforehand by an authorized representative of American Fashion Accessories. Buyer shall not remove, delete, replace or otherwise obliterate “American Fashion Accessories” name or mark as provided in the goods. Any goods sold in retail packaging may be resold by Buyer only in the packaging supplied by American Fashion Accessories and in no case may any trademark or tradenames other than those supplied by American Fashion Accessories be marked on or applied in relation to the goods.

4. DELIVERY: Date of delivery shall only be taken as an indication and subject to availability of raw materials, conditions of shipping and transport and not guaranteed; time is not of the essence. Without limiting the generality of the foregoing, American Fashion Accessories’ obligation of delivery shall be subject to its receipt of correct and timely deliveries from its suppliers. Buyer is required to accept partial deliveries. Variations in size, weight and quality are permissible in accordance with the respective industry norms or, where such products are not covered by industry norms, in accordance with American Fashion Accessories’ customary practices.

5. SRP: American Fashion Accessories may from time to time establish suggested retail prices for its products, including the goods herein. Any suggested retail price will be indicated on the attached hang tag. The distributor and/or retailer shall establish its own selling price in its own discretion. American Fashion Accessories reserves the right to cease selling its products to any retailer that does not comply with any such suggested retail prices or any distributor that sells to retailers that fail to comply therewith.

6. GENERAL SALES POLICIES: Buyer acknowledges that it has read and is familiar with American Fashion Accessories’ General Sales Policies and hereby agrees to comply therewith. Those General Sales Policies may be found at <http://terms.modaluxe.com>.

7. WARRANTY: AMERICAN FASHION ACCESSORIES MAKES NO WARRANTIES WHATSOEVER. AMERICAN FASHION ACCESSORIES HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE, AND/OR ANY IMPLIED WARRANTIES ARISING FROM ANY COURSE OF DEALING, USAGE,

AND/OR TRADE PRACTICE.

8. LIABILITY: AMERICAN FASHION ACCESSORIES IS NOT LIABLE FOR LOSS OF PROFITS, USE, AND/OR OTHER DIRECT, INCIDENTAL, CONSEQUENTIAL, AND/OR EXEMPLARY DAMAGES FOR ANY REASON. ANY AND ALL CLAIMS AGAINST AMERICAN FASHION ACCESSORIES, REGARDLESS OF THE REASON, SHALL BE BARRED AND EFFECTIVELY WAIVED SIX (6) MONTHS AFTER DISCOVERY.

9. DISTRIBUTORS: If Buyer is a distributor (as opposed to a retail boutique or other store), Buyer agrees that:

(a) It will include the requirements of paragraph 3 in any invoice (or other selling document) pursuant to which it sells the goods to any third party. Any such invoice (or other selling document) shall also provide that American Fashion Accessories is an express third-party beneficiary of such requirements.

(b) It will not in any single calendar month sell more than twenty four (24) units of any single SKU item to any single retail customer (or group of retail customers that Buyer knows are affiliated).

(c) It will refrain or cease from selling the goods to any third party to which American Fashion Accessories objects in writing in its sole discretion.

10. SALES TAX: Buyer acknowledges and certifies to American Fashion Accessories that all goods pursuant to this invoice are purchased for resale to third parties. Buyer shall be solely responsible for the collection and payment to the proper authorities of any and all applicable sales, use or similar taxes related to its sale of the goods, and Buyer agrees to indemnify and hold American Fashion Accessories harmless in connection with any and all claims that may be made against American Fashion Accessories with respect to any such taxes. Buyer shall promptly execute and deliver to American Fashion Accessories all sales tax exemption certificates reasonably requested by American Fashion Accessories.

11. AUDIT RIGHTS: Buyer agrees that American Fashion Accessories shall have the right from time to time, upon reasonable advance notice and during normal business hours, to inspect Buyer's books and records to determine its compliance with the requirements of Section 3 and Section 8.

12. GOVERNING LAW; JURISDICTION: This invoice shall be governed by the laws of the State of California (without regard to conflict of law provisions of that or any other jurisdiction). In the event that a lawsuit is filed, Buyer irrevocably submits to the jurisdiction of the Superior Court of the State of California, in and for the County of Los Angeles, Central District, which shall have exclusive jurisdiction to hear and determine any such dispute.

13. ARBITRATION: Any claim or dispute regarding the intellectual property rights stated herein shall only be raised by mandatory, final and binding arbitration in the Cities of Santa Monica or Los Angeles, State of California, before a single retired California judge or justice, and pursuant to the then applicable rules of Judicial Arbitration and Mediation Service, Inc., with the arbitrator also to decide all issues regarding the existence, scope and enforceability of this mandatory, final and binding arbitration agreement. Statute of limitation and affirmative defenses that would be applicable in a court proceeding shall be applicable to such arbitration proceeding. The prevailing party shall be entitled to an award of attorney's fees and costs. **This mandatory, final and binding arbitration agreement constitutes a mandatory alternative dispute resolution proceeding, is in lieu of traditional court proceedings, is without a right to a jury or to a court trial or to appeal, and all such and other differing court proceeding rights, including, without limitation, a right to a jury trial and appeal are accordingly waived.**

14. SEVERABILITY: If any term or condition of this invoice is determined to be illegal, invalid or unenforceable, then the illegal, invalid or unenforceable term or condition shall be deemed deleted, and revised to the extent legally permissible to reflect the original intention of the parties and, to the extent reasonably possible, the remainder of such provision and all other provisions of this invoice shall nevertheless remain in full force and effect.

15. ACCEPTANCE: By accepting the goods specified in this invoice, Buyer hereby accepts the terms and conditions of this invoice.

16. ENTIRE AGREEMENT: This agreement expresses the entire understanding of the parties and replaces any and all prior agreements, statements and representations, written or oral relating to the subject matter hereof. No modification or waiver pertaining to hereto shall be effective unless in writing and duly signed by an officer or authorized agent of American Fashion Accessories.