

## General Terms & Conditions

1. This agreement shall become effective upon acceptance of the application by MICHE Europe GmbH ("MICHE Europe"). MICHE Europe confirms the receipt of the application by sending an acceptance e-Mail under the condition of correct identification by applicant which is made through a reconfirmation e-Mail to MICHE Europe. Acceptance or refusal of the application shall be at MICHE Europe's discretion.
2. The parties agree that the Representative acts as a free and independent contractor and distribution partner under this agreement. The Representative acts for MICHE Europe as a Sales Representative ("Representative") in a secondary form of occupation pursuant to Sec. 92b of the German Commercial Code ("Handelsvertreter im Nebenberuf according to § 92b HGB"). The extent of the Representative's revenues depends on the results of his or her activities in marketing and sales. Her appointment is non-exclusive.  
She is neither an employee nor an agent, co-entrepreneur or franchise representative of the distributor.  
Being an independent contractor, the Representative is responsible for her business, in particular for the payment of income taxes, value added taxes and registrations required by law. The Representative alone is responsible for the conclusion and maintenance of all insurance policies relevant for her business.  
The Representative is authorized to conduct negotiations with end customers in the name of the company for the purpose of marketing MICHE® products. The agreement itself is concluded between the customer and MICHE Europe. The Representative is not authorized to enter into any obligations, commitments or liabilities on behalf of MICHE Europe.
3. Each customer recruited by the Representative receives a customer number, by which the customer can be allocated to the Representative for the calculation of commissions. The customer list is the property of MICHE Europe.
4. All activities in promoting shall solely be operated through the MICHE Europe Website or her personalized Website and not via online-auctions. The Representative solely solicits private customers.
5. The Representative is bound by the price list prescribed by MICHE Europe in the currently applicable version. Any changes in prices shall be immediately notified by MICHE Europe to the Representative.
6. In case of sales shipment, the risk of accidental loss, destruction and/or accidental deterioration of a product shall pass to the shipper used as early as upon dispatch of the product.
7. The Representative is obligated to safeguard the interests of MICHE Europe with the diligence of a prudent businesswoman. She will identify prospective customers (hostess, end customer) in an adequate manner, taking into account the policies and procedures (s. Appendix 2) of MICHE Europe and approach them in an appropriate manner. She will use her best efforts to facilitate an expansion of sales and an increase in sales for MICHE Europe. If she becomes aware of a demand for the products for which she cannot cater herself due to actual /organisational reasons, she shall immediately inform MICHE Europe thereof; this shall not result in an entitlement to a commission.
8. The Representative shall report to MICHE Europe about her activity and the procuring of each business transaction, immediately send essential business documents and provide special information upon the request of MICHE Europe.
9. MICHE Europe shall immediately inform the Representative if any transaction procured by her is not concluded with the end customer, if it is being rescinded or if the agreement is concluded with a lesser scope than could have been expected by the Representative under ordinary circumstances. A claim to compensation is not applicable in these cases if they are based upon circumstances that are beyond the control of MICHE Europe.
10. The Representative is not entitled to receive compensation from MICHE Europe for the expenses incurred by her.

11. MICHE Europe shall offer to the Representative education and training appropriate as to the expenditure of time and to the content at reasonable costs, which support the successful procuring of business.
12. MICHE Europe is the sole licensee of any and all intellectual property rights to MICHE products from MICHE LLC, USA, in the territory defined in (s. Appendix 1) in the currently valid version, wherever these rights have accrued or were applied for. MICHE Europe grants the Representative the right to use the licensed trademarks and rights in connection with the distribution of the products in accordance with the agreement. Any and all amendments, updates or improvements concerning the intellectual property rights are the property of MICHE Europe, even if they were achieved by the Representative. The Representative acknowledges that MICHE Europe disposes of the sole right to determine and direct the utilization and sale of products, including the utilization and sale of products on the internet, in the territory defined in (s. Appendix 1) in the currently valid version. The Representative states that she shall not – neither in whole nor in part - without the express written consent of MICHE Europe enter any domain names, trademarks, trade names, product names, business names, company names and the like of MICHE Europe or MICHE LLC into official, regulatory or other relevant registers or use them or claim any ownership rights or rights of use to them. The Representative shall refrain from any activity that might endanger or adversely affect the legal position of MICHE Europe or MICHE LLC. The Representative is obligated to immediately inform MICHE Europe about any impending infringement of the above-mentioned rights which is known to her or has come to her attention, and to immediately provide any and all information required to end the infringement of rights so that the full legal position of MICHE Europe can be restored.
13. The Representative shall treat confidential information as confidential and shall not disclose, disseminate or utilize it in any other manner without the knowledge and the express consent of MICHE Europe and exclusively for the purposes of and the execution of this agreement. This obligation of the Representative shall survive the termination of this agreement.
14. The Representative undertakes not to conduct – either directly or indirectly – any business or conclude any business transactions during the term of this agreement which are likely to compete with the business of MICHE Europe GmbH. She undertakes not to enter into an employment relationship with a company competing with MICHE Europe or to set up or participate in a competing company, either directly or indirectly. The Representative further undertakes not to entice away any customers or employees of MICHE Europe. The non-competition clause shall apply wherever MICHE Europe is engaged in the distribution of the products. For the avoidance of doubt, the non-competition clause exclusively refers to handbags with interchangeable covers or handbags that are very similar to them in their appearance, cut and/or functionality; the Representative shall be free to sell other handbags which do not have these characteristics.  
In the event of a culpable breach of this non-competition clause, the Representative shall pay to MICHE Europe a contractual penalty in the amount of € 5.000 for each individual instance.
15. Without prejudice to the non-competition clause mentioned above, the Representative shall inform MICHE Europe about agencies or activities for other contractors before she starts to work for MICHE Europe. After the work for MICHE Europe has started, the Representative shall inform MICHE Europe in due time about the planned engagement in further agencies or activities for other contractors.
16. The sales representation shall be assigned to the Representative on a personal basis. The Representative is not authorized to employ vicarious agents for the procurement of business. The assignment of said sales representation to a third party is only possible with the express consent of MICHE Europe. The same applies in the case of modification of the legal form of the Representative's sales representation.
17. The agreement may be terminated by both parties without stating reasons, by giving notice of at least one month to the end of the following month. The notice of termination must be given in writing, by fax or by e-mail. Irrespective of that, this agreement may be terminated for good cause with immediate effect without observing a notice period. Good cause for MICHE Europe exists if the presentation of the Representative is not consistent with the

mission statement of MICHE Europe, as laid down in the policies and procedures of MICHE Europe (s. Appendix Policies & Procedures).

Upon the termination of this agreement, the Representative shall return to MICHE Europe any and all business documents which are related to the products and the distribution of products, irrespective of which form, including any and all copies, in particular customer lists, or destroy them in accordance with the instructions given by MICHE Europe.

18. The Representative agrees that her personal details may be stored by MICHE Europe and used for business purposes of MICHE Europe. "Personal details" for the purpose of this section are among other things the name, the address and other information relating to the procurement of business for MICHE Europe. "For business purposes of MICHE Europe" means: for the execution and implementation of the consultancy agreement, in particular
- a. for the registration and shipment of orders, and
  - b. for the establishment of contact and for the transmission of information, in particular with respect to new

Products, pricing, sales consulting / optimisation, events, corporate policy and legal, commercial and political framework conditions relevant to the consultancy relationship...

19. The Representative undertakes to notify MICHE Europe immediately about any changes to the personal details of the Representative. The consequences of delayed notification shall be borne exclusively by the Representative.
20. MICHE Europe is a member of the Federal Direct Selling Association of Germany [Bundesverband Direktvertrieb Deutschland ("BDD")] and has voluntarily and bindingly undertaken to comply with the laws, in particular the consumer protection regulations and fair play in business, and adheres to the corresponding standards of conduct of the BDD ([http://www.miche-bag.de/BDD/code\\_of\\_conduct.pdf](http://www.miche-bag.de/BDD/code_of_conduct.pdf)). The Representative hereby agrees to adhere to the standards of conduct of BDD.
21. The complete contractual relationship between the parties shall be governed by German law. The place of jurisdiction for all disputes shall be Munich. There are no side agreements to this agreement. This contractual relationship consists of the application of the Representative with its stated conditions, including these General Terms and Conditions, in their respective version issued by MICHE Europe.
22. The contractual language governing the complete contractual relationship is German. As far as this agreement and these general terms and conditions are provided in German and in English, the German language version shall prevail in the case of uncertainty or dispute. Within this contract the use of the pronoun "he" or "she" or the object pronoun "him" or "her" are used interchangeably with respect to the antecedent "Representative."
23. Should individual provisions of this agreement be found to be invalid or unenforceable in whole or in part or become invalid or unenforceable after the conclusion of the agreement as a result of changes in legislation, the remaining provisions of this agreement and the validity of the agreement as a whole shall not be affected thereby. The invalid or unenforceable provision shall be replaced by a valid and enforceable provision which corresponds as closely as possible with the meaning and purpose of the invalid provision. In the event of gaps or omissions in the agreement, those provisions shall be deemed to be agreed which correspond to the meaning and purpose of this agreement and which would have been agreed if they would have been considered.