

## TERMS OF OFFER AND ACCEPTANCE

1. Unless otherwise specified, the items, as stated in this pro forma invoice, shall be the final basis of the BUYER'S payment to SELLER. All changes to be made in the items such as quantities, colors, dimensions, materials, and the like, must be brought to the attention of the SELLER by the BUYER in writing within five (5) days from signing of this contract. SELLER binds itself to correct and remedy defects for which it is liable provided it is relayed in writing by the BUYER within five (5) days from signing of the pro forma invoice. Otherwise, said changes as requested or claimed by the BUYER shall not be the responsibility nor the liability of the SELLER. Additional costs arising from such a change shall be for BUYER'S account. BUYER shall not withhold payment or payments for any reason whatsoever.
2. Should SELLER agree to any adjustments in size / color / fabric, after the orders have been manufactured and/or delivered, and said adjustments are not stipulated in the original agreement, BUYER agrees to pay for additional cost of materials, delivery charges and the like. (Any expenses / cost of materials arising from said work shall still be for BUYER'S account even if BUYER decides not to proceed with said refurbishing correction have been accomplished.
3. Slight color and dimension variations may occur from one item to another, and delivered items may vary slightly from sample reference. BUYER agrees that the contract cannot be rescinded for such reason and for any damage withheld by reason of divergence in the shade and measurement deviation of delivered item, if such changes are made to improve the item(s).
4. The BUYER is obliged to report in writing any defect in the items delivered by the SELLER before the lapse of five (5) working days from completion of the delivery. Failure of which the BUYER shall be conclusively deemed to have accepted the item as having been done properly, in good order and condition and to his full satisfaction.
5. Materials, dimensions, and process may be changed when Technological Development becomes available to improve the quality of the item(s) upon the option of the SELLER.
6. If for any reason, the BUYER fails to provide the SELLER with the data required to enable the SELLER to start manufacturing within five (5) days from the signing date of this contract, the prices agreed upon shall be subject to confirmation by the SELLER even if

payments have already been made. Delivery date as agreed upon shall likewise be subject to reconfirmation.

7. In the case of refurbishing of items, SELLER does not guarantee 100% matching of color, finishing and materials; SELLER, however, binds himself to provide and match BUYER specification as close as possible. Should damage or breakage occur to the items refurbished due to material condition or some defect of the refurbished item, BUYER releases SELLER from any obligation arising there from. And expenses/ cost of materials arising from said work shall still be for BUYER'S account even if the BUYER decides not to proceed with said refurbishing.
8. SELLER is not obliged to manufacture nor deliver items ordered unless the approved terms of payment have been accepted and fully complied with by the BUYER. Any delays arising from non-compliance of payment terms and non-submission of complete and final specifications as required by the SELLER shall not be a cause for withholding any payment due. In the absence of specified materials, measurements, finishing and the like, SELLER shall use standard available materials and techniques to produce items ordered and BUYER releases SELLER from claims pertaining thereto.
9. All overdue accounts shall incur a two percent (2%) penalty charge per month from the date of default and in case of suit, the BUYER agrees to pay attorney's fees equivalent to twenty-five percent (25%) of the total amount due or a minimum sum of FIVE THOUSAND PESOS (Php 5,000), in addition to all expenses incurred in case of litigation. In the event of suit the parties hereby submit themselves to the exclusive jurisdiction and venue of the proper Courts of Makati City.
10. If for any reasons whatsoever, the BUYER decides not to proceed with the contract, or decides to change specifications, after 5 calendar days have lapsed from the date the contract was signed, or when the material have already been prepared and cut to size or colored, the BUYER agrees to pay for the cost of materials already used and labor already performed on the items.
11. The SELLER shall not be liable or held responsible for any delay or non-delivery of items herein contracted due to BUYER'S non-compliance with the terms of payment contained in this contract.
12. If SELLER is unable to perform any of its obligations because of force majeure (earthquake, typhoon, war, and any acts of God) SELLER shall be free of its obligations during the period of force majeure. SELLER shall immediately give written notice to BUYER of the date of inception of the force majeure condition and the extent to which it will affect performance.

13. The right to repossess and pull out the items is reserved by the SELLER if the BUYER should fail to comply fully with the terms and condition stated herein; and payments already made by BUYER shall be forfeited in SELLER'S favor, the same to be considered as rental for the use of the articles and/or liquidated damages.
14. This offer and all the conditions herein form an integrated part of any other agreement entered by the BUYER with the SELLER. Also, all the conditions herein shall be an integral part of the BUYER'S Purchase Order as reference or basis, unless SELLER stipulates and expressly waives any such condition (s).
15. The BUYER represents that he has read all the provisions of this contract and fully understood them and there are no other assurances, promises or representation from the SELLER, its representatives, or employees except those appearing in this contract.

Approved: \_\_\_\_\_

Verified: \_\_\_\_\_

Company Name:

Langhoff Promotion Philippines, Inc.

Date:

Date: