# TERMS AND CONDITIONS FOR DELIVERY TO CONSUMERS/ Distance selling Regulations, Mala Spirit based on the model conditions used by Chamber of Commerce Netherlands version 21 July 2017

#### article 1. General

- These conditions are applicable to every offer, bid and agreement between General Partnership Mala Spirit, established in Reeuwijk and registered with the Chamber of Commerce with the number 64657981 and VAT registrationnumber NL160501313B02, hereinafter referred to as 'User', and another party, called 'Contractor', to which User has applied these conditions, where the parties have not deviated explicitly and in writing.
- 2. Present conditions are also applicable to agreements with User, for implementation where User has to associate or use the services of a third party.
- 3. Present conditions are also applicable to employees and management of User.
- 4. The applicability of conditions of purchase or other conditions from or used by the Contractor are explicitly excluded.
- 5. If one or more provisions in these terms and conditions become wholly or partially invalid, it remains that these terms and conditions continue to apply. In that case User and Contractor will start up a dialogue to create new corresponding and agreed up on conditions which follow as much as possible the purpose and scope of the annulled or invalid conditions as a replacement of the annulled or invalid conditions.
- If there is any uncertainty about the explanation of one or more conditions in these terms and conditions, the explanation has to be made 'in the spirit' of these conditions.
- 7. If a situation occurs which is not regulated in these terms and conditions, the situation has to be reviewed 'in the spirit' of these terms and conditions.
- 8. If User doesn't ask strict compliance to these terms and conditions, this doesn't mean that these terms and conditions are not applicable. User doesn't lose any rights when User doesn't ask strict compliance. User can always ask strict compliance to these terms and conditions even when User didn't ask strict compliance at first.
- 9. Distance selling Regulations are also applicable.

### article 2. Deals and Offers.

- All bids and Offers coming from User are noncommittal unless there's a deadline for acceptance determined for the offer or bid. A bid or offer expires if – in the meanwhile – the product to which the bid or offer applies to, is no longer available.
- 2. User can not be held to comply to certain bids or offers if Contractor can reasonably understand that

- there is an obvious mistake or error in these bids or offers
- Prices mentioned in bids and offers are inclusive VAT and other government levies. These prices also contain possible costs made or to make within the framework of this agreement, including cost for travelling and accommodation, shipping and handling costs, and administrative costs unless specified otherwise.
- 4. If the acceptance (whether or not to subordinate items) deviates from the tender made in the offer or proposal then User is not bound. The agreement is not established, based on this deviating acceptance, unless User indicates otherwise.
- 5. A compound quotation shall not oblige User to execute part of the assignment against a corresponding part of the price. Offers and tenders shall not apply automatically to future orders.

# article 3. duration of contract, delivery times, implementation and modification of the agreement; increase of prices.

- The agreement between User and Contractor is for an indefinite time period, unless the nature of the agreement dictates otherwise or if parties -explicitly and in writing – agree otherwise.
- If for completion of certain work or for the supply of certain products a period is agreed up on or specified, this is never a deadline. When a term is exceeded, Contractor has to give written notice of default in which User gets a reasonable period to implement the agreement.
- 3. User has the right to have certain jobs carried out by third parties.
- 4. User has the right to carry out the agreement in different phases and thereby bill these parts separately.
- If the agreement is carried out in different phases, User has the right to suspend tasks, if these tasks belong to a next phase, until Contractor has approved the results of the preceding phase in writing.
- If User needs information from the Contractor to carry out the agreement, the implementation time starts when User received all required data, in full and correct, from the Contractor.
- 7. If the agreement has to be adapted, amended or supplemented, during the execution period, to make a good execution possible, both parties will, betimes, come to a mutual agreement to adapt, amend or supplement the agreement. If the nature, extent or content of the agreement changes - due to questions or designation from the Contractor, competent authorities, etc. - thereby

changing the quality and/or quantity of the agreement, it will have consequences for the original agreement. Due to changes in aforementioned situation, the price can go up or down. If aforementioned situation occurs, User will, as much as he possibly can, give a price indication. Due to changes in the agreement, the implementation time can change. Contractor accepts the possibility of changes to the agreement which also include changes to the implementation time and price.

- 8. If the agreement is amended, including supplements, User is entitled to first implement after it has been agreed by the authorized person within the User's company and the other party has agreed to implement the specified price and other conditions, including the time at which the implementation will be done which will have to be determined. Failure or delayed implementation of the amended agreement does not make default of User and is no ground for the other party to terminate the agreement.
- 9. Without being in default, User can refuse a request to change the agreement if this request could have consequences in the quality or quantity of the job or product, for instance for the job to be done in that context or the products to be delivered in that context.
- 10. Should the Contractor come in default in the proper fulfillment of its obligations to User, then the Contractor will be responsible for any damage suffered (including costs) by the User, be it direct or indirect.
- 11. If User agrees to a fixed price in an approved agreement, User is still entitled to increase the price in following conditions:
  - if the increase in price is due to a change in the agreement;
  - if the increase in price is due to a User recognized competence or an obligation imposed by law; in other cases, with the proviso that the Contractor, who is not acting in the exercise of a profession or business, has the right to terminate the contract (this termination of the contract has to be in writing) if the increase of price is higher then 10% and happens within the first three months the contract was concluded, unless the User is still willing to fulfull the contract based on the original agreement, or if stipulated that delivery will take place after more then three months after sale.

# article 4 suspension, dissolution and premature termination of the agreement

1. User can suspend the fulfillment of the obligations or terminate the agreement if: -Contractor does not fulfill the obligations under the agreement or in а timely fully -After the conclusion of the contract User learns of circumstances giving good ground to fear that Contractor will not fulfill, or not fulfill completely, its obligations: -Contractor at the conclusion of the agreement is requested to provide security for the fulfillment of his obligations under the agreement and this security is not

- provided or insufficient; if due to the delay on the part of Contractor the User can no longer be demanded to fulfill the agreement at the originally agreed conditions, the User is entitled to terminate the agreement.
- if the dissolution is attributable to the Contractor, User is entitled to compensation for the damage suffered, this compensation includes direct and indirect costs.
- If the agreement is dissolved, User is entitled to compensation for the damage. If User suspends his obligations, he shall retain his rights the law and the agreement.
- 4. if User suspends his obligation or goes to a dissolution of the contract, on the grounds mentioned in this article, he can not be held responsible for damages suffered and costs made due to the suspension or dissolution of the contract, therefore the Contractor can not make any compensation claim, while the Contractor – by virtue of default – is required to pay damages and/or compensation.
- 5. If User prematurely terminates the contract, User will take care of the transfer of additional work to one or multiple third parties, in agreement with the Contractor. This will only be done if the Contractor is not attributable to the termination of the agreement. Unless it's the User who terminates the contract prematurely, the costs for transferring the additional work, will be brought to the Contractor. User will inform the Contractor before the transfer, if possible, about the cost this transfer will bring. The Contractor is obliged to pay these costs within the period specified by User unless User specifies otherwise.
- 6. In case of liquidation of goods, (request for) suspension of payment or bankruptcy, of confiscation if and when the seizure is not lifted within three months at the expense of the Contractor or in case of debt restructuring or other circumstance in which the party can no longer dispose of its assets freely, the User is free to terminate the agreement with immediate effect and without delay or to cancel the agreement, bid or order, without any obligation to pay any damages or compensation to Contractor. User's claims against Contractor are in this case immediately due and payable.
- 7. If Contractor wholly or partially cancels a placed order consisting of articles which are not in the basic assortment of Mala Spirit, or consisting of articles which are customized to fit Contractor's needs, then the appropriate or prepared products or jobs increased with supply, transportation, handling costs, delivery costs and the contract working-hours reserved for the execution of the agreement, are fully charged to the Contractor.
- 8. The Contractor can from the moment the product(s) is/are delivered return the product(s) within seven days without giving any reason. The purchase price will be refunded, depending on the amount that Contractor has already paid and if Contractor has already paid. Also, the basic shipping will be refunded excluding any fees for registered mail and send 'Cash On Delivery'. The

- responsibility for returning the product(s) is the responsibility of the Contractor. The User-defined delivery-service and the services supplied by this delivery-service are at all times the responsibility of User.
- 9. Conditions for returning the product are that the product(s) can not be worn because the product(s) possess(es) very specific energetic qualities and therefore can not be sold again if worn. Functionally fitting the product is not included in these conditions. Another exception to the right of return as defined in article 4 number 8, are products which are customized at the request of the customer and / or ordered, and / or do not belong to the basic collection of Mala Spirit. The 'basic collection' of Mala Spirit is the collection shown on the website of Mala Spirit.

### article 5 Force Majeure

- 1. User is not obliged to perform any obligation to the Contractor
  - if he is being hindered due to circumstances beyond User's control and not to his own fault or negligence, neither under the law, a legal action or generally accepted conceptions for its account.
- Under Force Majeure is understood in these terms and conditions, in addition to what is included in the law and jurisprudence, as all external causes, expected or unexpected, which User can not influence, but which prevents User of fulfilling his obligations. User also has the right to invoke Force Majeure if the circumstances prevent (further) performance of the contract if these circumstances occur after User should have fulfilled his obligation(s).
- 3. User can, during the period of Force Majeure, postpone the obligation(s) of the contract. Every party has the right to end the agreement without any obligation or compensation towards the other party, if the period of Force Majeure takes longer than two months.
- 4. If User at the time of the occurrence of Force Majeure has fulfilled its obligations under the agreement partially or will fulfill these, and the performed or to be fulfilled obligations merit an independent value, the User is entitled to invoice the already performed or to be preformed part as a separate bill. The Contractor is obliged to pay this invoice as if it were a separate agreement.

# article 6 payment and collection costs

- 1. Payment must be made within 10 days after invoice date, in a manner specified by User and in the currency as written on the invoice, unless otherwise indicated in writing by User.
- 2. If the Contractor defaults in the timely payment of an invoice, then Contractor is legally in default and will then owe interest. In case of Consumer Purchase the interest owed equals the legal interest. In other cases the Contractor owes an interest of 2% per month unless legal interest is higher, if so legal interest will be owed. The

- interest on the amount due, will be calculated from the time the Contractor is in default until the time of payment of the full amount owed.
- User has the right to stretch the payments made by the Contractor, in first place to reduce the cost, in second place to reduce the amount of interest due and at last to reduce the principal amount and accrued interest.
- 4. User can without being in default refuse an offer to pay, if Contractor designates another sequence of attribution of payment. User can refuse full payment of the principal amount if not also the accumulated, outstanding and accrued interest and collection costs are met.
- 5. Objections to the amount of a bill do not suspend the payment obligations.
- 6. If the Contractor is in default or omission in the (timely) fulfillment of its obligations, all reasonable costs incurred in obtaining payment out of court will be on behalf of the Contractor. The extra-judicial costs are calculated on the basis of the law of collection costs. If however User has to make higher costs for collection which are reasonably necessary, the actual costs incurred will be recoverable. Any judicial and execution costs will also be recovered from the Contractor. Contractor also owes all interests on the collection costs.

#### article 7 Retention of title

- 1. All goods delivered and supplied by User(s), in the context of the agreement, remain the property of User until the Contractor has duly complied with all obligations under the agreement concluded with User.
- 2. Goods delivered and/or supplied by User, which fall under the Retention of title pursuant article 7 number 1, may not be resold and must never be used as currency or payment. Contractor is not authorized to pledge or otherwise encumber the delivered goods falling under the Retention of title.
- The Contractor should always do what may be reasonably expected of him to protect the property rights of User.
- 4. If third parties seize goods delivered under Retention of title, or want to establish or exercise rights on aforementioned goods, Contractor is obliged to immediately inform User.
- 5. The Contractor agrees to insure and keep, the property delivered, insured against fire, explosion and water damage and theft and offer the policy of this insurance on first request to User for inspection. In case of any benefits of the policy the User is entitled to these amounts. Insofar as necessary, the Contractor in advance binds himself towards User to co-operate with all that in that context was or (appears) to be necessary or desirable.
- 6. In case User wishes to exercise property rights as mentioned in this article, Contractor grants User or third parties designated by User, in advance, unconditional and irrevocable, permission to enter all places where

User's properties are located, and take back all aforementioned goods belonging to User or his third parties.

### article 8 warranties, research and advertising

- 1. The goods delivered by User meet usual requirements and standards, reasonably required at time of delivery, and for which they are intended for normal use in the Netherlands. The guarantee mentioned in this article, applies to items intended for use in the Netherlands. When used outside of the Netherlands it is up to Contractor to verify if use is legal and if the product meets the conditions there. In afore mentioned case for use abroad, User can set other conditions and warranties in respect to the goods or jobs to be delivered.
- The warranties mentioned in article 8 number 1, apply to repairs of malas which are broken within 4 months, for instance as a result of braking a 'karmic' cycle, unless from the nature of the goods supplied – results differ or parties have another agreement.
- 3. If the warranty, supplied by User, concerns an item or product, produced by another party then Aum Rudraksha Designs, the warranty is limited to only the warranty given by the producer of the product or item unless specified otherwise. None of the shipping costs made by User or Contractor to repair the products, are covered by warranty, and Contractor has the obligations to pay the delivery of goods upfront as far as these delivery costs have to be made upfront from the User side. After the warranty period expires, all costs for repair and replacement, including costs for administration, delivery and visiting fees will be charged and billed to the Contractor.
- 4. Any form of warranty is void if a defect has arisen as a result of or is arising from improper or inappropriate use. Any kind of warranty is void if a defect is caused by improper storage or maintenance by Contractor or third parties. For example, when, without written permission from the User, Contractor or third parties have made changes to the case or have tried to make changes, if Contractor or third parties have attached other products or pieces which are not meant to be attached to User's product or if these products have been adapted or processed in any other way then the described manner. Contractor is not entitled to warranty if defect(s) is/are caused by circumstances which, User cannot influence, including weather conditions (for example but not limited to, extreme rain or temperatures), etc.
- 5. The Contractor is required to investigate delivered things, or have investigated delivered things as soon as these are available to Contractor. Contractor should thereby examine whether the quality and/or quantity of what is delivered, corresponds to what has been agreed upon by both parties. Possible defects must be reported in writing, within 7 days after discovery. The notification shall include a very detailed description of the defect so User can adequately respond and react. The Contractor has to

- give User the opportunity to examine the complaint or let the complaint be examined by a third party.
- If the Contractor timely complains, it does not suspend its payment obligation. The Contractor is also still obliged to purchase and pay otherwise ordered products or jobs unless those products or jobs have no independent value.
- If a defect or deficiency is reported after the determined time, Contractor is not entitled to have the product(s) repaired, replaced or indemnified by User unless the nature of the case or other circumstances result in a longer term, agreed by User.
- 8. If it is established that a product is deficient and the claim has been made in time, the User will, within a reasonable time of receiving the defective product or the written complaint from Contractor - at User's option - replace the product, repair or let the product be repaired by a third party or pay a replacement fee for the product to the Contractor.
- If it transpires that Contractor's complaint(s) is/are unfounded, Contractor will be accounted for all costs, including research costs made by User, as a result of this/these complaint(s).
- 10. If contractor wants to repair a mala outside the period of waranty than that is also possible. The repair will be free of charge excluding replacement of materials that are needed for the repair and any shippingcosts. To make a request, please send a message to info@malaspirit.com.

#### article 9 liability

- 1. Should User be liable, this liability is limited to what is regulated in this provision.
- 2. User is not liable for damages of whatever nature, created by User based on incorrect and / or incomplete data given by or on behalf of the Contractor.
- 3. User is solely liable for direct damage.
- Under direct damage is exclusively understood as follows:
  - the reasonable costs incurred to establish the cause and extent of damage, where it's established that the cause and extent of damage relates to damage within the meaning of these terms;
  - any reasonable costs incurred to have the poor performance of the User match the conditions of the Agreement, as far as the User is accountable for any of these costs.
  - any reasonable costs made to prevent or limit damage, if Contractor can prove these costs mitigated direct damage as meant in these 'terms and conditions';
- 5. User is never liable for indirect damage which includes consequential damage, lost profits, missed savings and damage due to business or other stagnation. In case of consumers purchase, the restriction does not go beyond the one permitted in article 7:24 section 2 BW of Dutch law.
- 6. If User is liable for any damage, then the liability shall be limited to once the invoice value of the order, or to that

- part of the order to which the liability relates.
- 7. The liability of User is in any case limited to, if appropriate, the amount of money the insurance is willing to pay.
- 8. The limitations of liability contained in this article shall not apply if the damage is due to intentional damage or gross neglect coming from User or his managerial subordinates.

#### article 10 period of limitations

- Notwithstanding the statutory limitation periods, the limitation period for all claims and defences against User or against third parties who executed or are executing a contract for User, is 4 months.
- 2. What's determined in number 1 is not applicable to legal claims and vindications based on facts which would justify the assertion that delivered goods do not accord with the agreement. Such claims and defences are barred after a period of two years after Contractor has informed User in writing of such non-compliance.

#### article 11 transfer of risk

 Contractor is responsible for the risk of loss, damage or loss of value of products when these products are delivered and/or put in control of Contractor.

# article 12 safeguard

- 1. The Contractor shall safeguard the User from any claims by third parties that suffered damage in connection with the execution of the agreement when someone else than the User is accountable for the damage.
- 2. If User should be addressed on that count by third parties, then the Contractor is bound to assist the User both outside and in law and to immediately do what in that case can be expected from him. Should the Contractor fail to take adequate measures, then User, without notice, can entitle himself to do so. All costs and damages on the part of User and third parties are for the account and risk of the Contractor.

## article 13 intellectual property

 User reserves the rights and powers for which he is entitled under the Copyright and other intellectual property laws and regulations. User has the right to use his - by the execution of agreement - increased knowledge for other purposes, provided that no strictly confidential information of the Contractor is brought to the knowledge of third parties.

#### article 14 applicable law and disputes

- Only Dutch law is applicable to all legal relations of which User is a party. Dutch law is also applicable if an obligation is executed partially or totally abroad or if Contractor is domiciled abroad. The applicability of the Vienna Sales Convention is expressly excluded.
- Parties will only appeal to the court after they tried their utmost to settle a dispute by mutual agreement. In that

case parties can only appeal to the Dutch court and only the judge in the locality of User shall have exclusive jurisdiction over disputes.

### article 15 location and modification of terms

- These conditions can be found on the website of Mala Spirit <u>www.malaspirit.com</u> and will be sent at the first request by email or by post.
- 2. The last registered version applies, if so happens the version as it was written at the time of the creation of the legal relationship between User and Contractor.
- 3. The Dutch interpretation / explanation of the terms and conditions always take precedence over the English explanation / interpretation.