



General Terms and Conditions - Buddy Bär Berlin GmbH Blank Buddy Bears made of GRP (glass-fibre reinforced plastic)

Preamble

The following general terms and conditions of the Buddy Bär Berlin GmbH (hereinafter called BBB) apply to the purchase of blank Buddy Bears (sculptures) made of glass-fibre reinforced plastic.

BBB is the sole holder of all usage rights and trademark rights for the Buddy Bears. The shapes of the Buddy Bears are nationally and internationally protected by copyright and registered design. In addition, all visual representations of the BUDDY Bear sculptures and the names BUDDY BEAR and UNITED BUDDY BEARS are officially registered as protected trademarks (two- and three-dimensional design), both nationally and internationally.

§ 1

Sculptures made of glass-fibre reinforced plastic (GRP) are the object of purchase. Any complaints about visible damage have to be sent in writing to BBB without any delay – at the latest within seven days after receipt of the object of purchase. Any damage reported at a later date will not be accepted, no compensation for damage is granted and the object of purchase cannot be returned. The buyer only fully owns the object(s) of purchase after payment of the full purchase price.

§ 2

The full purchase price becomes due once the buyer has signed the order and BBB accepts it. The amount has to be paid to BBB within 10 days of issuing the invoice. By placing the order, the buyer accepts the general terms and conditions as presented here.

§ 3

Only the models 'Mini Friend' and 'Mini Dancer' are exempt from the following provisions under §3, provided that they are not presented in a location that is visible to the public.

Unless agreed otherwise, painting the bear is not included in the purchase price. The buyer pays all costs related to painting/applying the artistic design to the object of purchase. If the buyer would like an artist to paint the object of purchase, at the buyer's request BBB can recommend an artist who can be commissioned by BBB to paint the bear. In all other cases, painting the bear is the buyer's responsibility.

The buyer is free to choose subject(s) for the artistic design of the object of purchase (please also refer to §4). However, the buyer/artist presents BBB with a draft design to be authorised by BBB. In order to ensure the artistic standards of the unique Buddy Bear sculptures, BBB reserves the right to reject a draft design that does not meet these artistic standards. Potentially, this restriction particularly applies to a design where the bear is painted with items of clothing.

The necessity to present a draft of the artistic design also applies if changes to the design of the bear are planned at a later stage or if the bear is redesigned completely.

On completion of the bear, the buyer pledges to provide BBB with photos of the bear at the buyer's own expense.

In specific individual cases, BBB reserves the right to agree an assignment of all rights of use and exploitation resulting from the artistic design of the object of purchase. However, such an assignment of rights has to be expressly agreed with the buyer. In such a case, the buyer ensures that prior to painting the bear, the artist confirms in writing to assign all rights of use and exploitation resulting from the artistic design of the object of purchase directly to BBB. A dedicated form provided by BBB has to be used to agree the assignment of rights.

Among other reasons, BBB needs the rights of use for the optimum promotion of Buddy Bear activities (incl. potential auctions for a charitable cause). In agreement with the buyer, the right of use assigned to BBB entitles BBB to use this right for commercial purposes, e.g. merchandising, or to authorise third parties to use it for commercial purposes.

If an assignment of the rights of use and exploitation has been agreed, the buyer pledges to impose this obligation on a potential legal successor as well – coupled with the legal successor's obligation to impose this obligation on any of his/her additional subsequent legal successors.

As a matter of principle, and also in those cases where no assignment of all rights of use and exploitation has been agreed, BBB is assigned the right to publish photos of the finished sculpture on its website or in publications.

With the purchase of a Buddy Bear sculpture, no rights to the brands or the shape of the Buddy Bears are assigned to the buyer. This rules out that reproductions of the object of purchase (a Buddy Bear sculpture) appear on other products (e.g. giveaways or merchandising) or can be used for any other commercial purposes without the formal written consent by BBB.

BBB reserves the right to take protective measures against any unauthorised third-party use.

§ 4

The buyer is free to choose the subject(s) for the artistic design of the object of purchase (yet is also obliged to refer to § 3 clause 3). However, subjects with a political content or subjects that are *contra bonos mores* or violate third-party rights are excluded. It is also forbidden to add **corporate logos, trademark logos, website addresses or printed advertising to the object of purchase. It is equally forbidden to attach boards or signs with an advertising message to the object of purchase.**

Notwithstanding this regulation, company logos pertaining to the owner or the sponsor of a bear can be placed on a designated sign on the base plate (if a base plate is attached to the bear).

Buddy Bears are art objects. Therefore, it is not permitted to use them for direct advertising or commercial purposes. In particular, this also applies to any representation of the object of purchase in any environment directly linked to promotional purposes, for example in advertisements, on promotional items or on vehicles and to any integration in a corporate design, in business documents or in a company logo.

If the buyer violates any of the criteria or obligations as stated under § 3 and § 4 or presents a bear that violates the above mentioned criteria in a publicly accessible or visible area, the buyer is liable to pay a contractual penalty of €1,000 per violation to BBB.

The buyer pledges to impose the above mentioned restrictions relating to the use of a bear as well as the agreed contractual penalty for any violation on any potential legal successor, coupled with the legal successor's obligation to impose this clause on any other legal successors.

The buyer pledges to inform BBB about the location of the bear, any changes of the location as well as the sale or transfer of the bear to a legal successor. This regulation does not apply to the duties to supply information relating to the models 'Mini Friend' and 'Mini Dancer'.

§ 5

If it is intended to place the object of purchase in the area of a public road, the buyer knows that this is subject to the appropriate permit by the local authorities and that BBB is neither obliged to provide such an authorisation nor guarantees that such a permit is granted.

§ 6

If the bear is purchased at a special price, the buyer pledges to pay a donation of €150 to an organisation/institution suggested by BBB (this is applicable to the models 'The Friend', 'The Dancer', 'The Acrobat' and 'The Friend No. 2') or to donate €85 for a purchase of the 'Mini Friend' or €50 for a purchase of the 'Mini Dancer'. The donation will have to be paid within ten days after signing the order placed with BBB. BBB will pass on the donation to the respective organisation/institution. The organisation/institution itself will then in turn issue a donation receipt for the buyer. The special price is only granted under these preconditions.

§ 7

We advise the buyer to insure the object of purchase. BBB assumes no liability for any damage to the object of purchase itself or any artwork painted on the object of purchase or any damage of the sign pertaining to the owner of the bear that may occur during the presentation of the object of purchase in public or private spaces.

The buyer pledges to exercise appropriate duty of care if the bear is set up in a publicly accessible or visible area, particularly in terms of cleaning the bear on a regular basis and in terms of repairing any damage that might occur. The buyer may choose to commission BBB to clean or restore the bear. The buyer pays for all cleaning and restoration costs.

If a buyer does not comply with his obligations to clean or restore the bear in spite of a reminder with a fixed deadline, BBB is entitled to carry out the necessary measures at the buyer's expense.

The buyer pledges to impose the above mentioned obligation to clean and restore the bear on any potential legal successor, coupled with the legal successor's obligation to impose this clause on any other legal successors.

The same applies to the buyer's obligation to inform BBB about the location of the bear, about selling a bear or about potential legal successors.

§ 8

With his/her signature and BBB's order confirmation, the order is legally binding for the buyer. No oral additional agreements were made.

The place of jurisdiction is Berlin, unless otherwise required by the law.

If individual clauses of this agreement/these terms and conditions shall be held to be invalid or if there are any regulatory gaps in this agreement/these terms and conditions, the contractual partners pledge to replace the respective invalid clause by a valid clause that is deemed to be the most economic solution for the originally intended purpose.

By placing the order, the buyer unconditionally accepts these terms and conditions.

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