

PURCHASE AGREEMENT

I

Parties

Purchaser:

Business name :
Registered office :
Id No. :
Tax Id. No. :
Bank connection :

Represented by :
Incorporated into the Commercial Register _____

hereinafter the „**P u r c h a s e r**“

and

Seller:

Business name : **Ing. Stanislav Kužela, Bankruptcy Trustee of the Bankrupt,
TIBA, a.s.**
Registered office : Praha 9, Podnikatelská 552, Postal code: 190 11
Id No. : 48171468
Tax Id. No. : CZ48171468
Bank connection : UniCredit Bank Czech Republic, a.s., Hradec Králové branch,
account No.: 1002153910 / 2700
Represented by : Ing. Stanislav Kužela, Bankruptcy Trustee

Incorporated into the Commercial Register kept by the Municipal Court in Prague, section B, insert 10984; the company was adjudicated bankrupt by a Resolution of the Regional Court in Hradec Králové, ref. No. 43 K 27/2005-1634, dated 9 February, 2007,

hereinafter the „**S e l l e r**“

II

Basic Provisions

1. The property of the bankrupt, TIBA, a.s., whose registered office is situated in Praha 9, Podnikatelská 552, Postal code:190 11, Id. No.: 48171468, file number B.10984, kept by the Municipal Court in Prague, became subject to bankruptcy proceedings by a Resolution of the Regional Court in Hradec Králové, dated 09-02-2007, ref. No. 43 K 27/2005. The same Resolution appointed Ing. Stanislav Kužela to act as the bankruptcy trustee.
2. The Seller represents that the property of the bankrupt, TIBA, a.s., includes, among other things, the goods which is the object of sale under the conditions stipulated herein.
3. Moreover, the Seller states that, in connection with the object of sale defined herein, he has complied with all the conditions imposed on him by the above-mentioned court, and that all the members of the Committee of Creditors of the bankrupt have given their consent to the Seller to sell the object of sale under the conditions stipulated herein, which the Seller deems to be proved and non-contentious between the Parties for the purposes of this Agreement.
4. The Seller hereby assures the Purchaser that as of the date of signature hereof, no action to withdraw the object of sale defined herein or its part from the bankrupt's estate is conducted against the Seller.
5. The Seller represents that he is interested in the sale of the below-specified object of sale under the conditions agreed on herein. The Purchaser represents that he is interested in the purchase of the object of sale under the below-mentioned conditions agreed on herein, and in taking it into his ownership.

III

The Subject Matter of the Agreement

1. The Seller hereby undertakes to deliver the below-mentioned goods and transfer the ownership right to the goods to the Purchaser.

GROUP OF GOODS	NET WEIGHT	UM	Number of UM	Total WSP	Total SP
Unbleached textiles sold by the metre	66.055	m	372.253	13.790.146	
Printed textiles sold by the metre	88.677	m	597.107	39.934.212	
Piece textiles	35.191	pc	116.884	14.012.657	
TOTALS	189.923		1.086.244	67.737.016	

Total WSP warehouse sale price (in CZK exclusive of VAT)

Total SP sale price (in CZK exclusive of VAT)

Net weight anticipated weight of goods without adjustments

UM unit of measure

2. The Seller reserves the right to change the overall volume of goods (subject matter of the Agreement) defined in clause III (1) hereof by the quantity of +/- 15 %, and the Purchaser agrees with this right without any exceptions.

3. The Purchaser undertakes to take off the goods defined in clause III hereof from the Seller and to pay the agreed purchase price to the Seller. The Purchaser hereby undertakes to take off the **total quantity of goods** defined in clause III hereof.
4. Based on this Purchase Agreement, the overall volume of goods shall be taken off by **31-09-2012**, at the latest.

IV

Purchase Price

1. The Purchaser and the Seller have agreed that the goods defined in clause III hereof shall be sold by the Seller to the Purchaser for the price of _____ **.00 CZK exclusive of VAT.**
2. The Purchaser hereby undertakes to pay the agreed purchase price to the Seller in 7 days following the signature of this Purchase Agreement, at the latest.
3. The payment shall mean the receipt of the amount in the Seller's account mentioned in the caption hereof. In case of the Purchaser's failure to comply with this obligation, the Seller shall not be obliged to hand over the goods to the Purchaser.
4. An invoice shall include the identification of the Seller and the Purchaser, including the statutory taxation data, the invoiced amount, a list of the invoiced goods, customs tariff numbers, an invoice number, the day of arising of the VAT liability, and a signature.
5. In the event of the invoice not containing the elements mentioned in the previous paragraph, the Purchaser shall be entitled to send the invoice back. In such a case, the Seller shall be obliged to correct the invoice, and if a correction would make the invoice unclear, issue a new invoice. The corrected or new invoice must be resent to the Purchaser.
6. In the event of the goods being exported outside the territory of the Czech Republic, the Purchaser shall be obliged to prove this fact on request by the Seller. All transport expenses and costs relating to the export or clearance of the goods outside the territory of the Czech Republic shall be paid by the Purchaser or the Purchaser's customer.

V

Purchase Order

1. The individual handovers specified herein shall be carried out on the basis of a purchase order issued by the Purchaser. The purchase orders must be delivered in a written form, including the use of fax or electronic mail. A purchase order must be delivered to the Seller at least 10 days prior to the proposed requested term of performance.
2. A purchase order shall include the time of dispatch, the number and size of transport containers + the quantification of the goods specified in groups in compliance with clause III (1) hereof.
3. A purchase order shall be confirmed by the Seller, and possibly supplemented and sent back for written approval by the Purchaser. The goods required in a purchase order shall not be dispatched without a mutual written approval.
4. In the event of a purchase order not complying with the conditions stipulated in clause V hereof, the purchase order shall be deemed not to be performed by the Parties, and the Seller shall not be obliged to deliver the goods specified in the particular purchase order.

VI

Delivery of Goods

1. The goods shall be handed over to the Purchaser with EXW parity (according to Incoterms 2000) in Vorlech plant of the bankrupt, TIBA, a.s., located at Spojených národů 231, Dvůr Králové nad Labem. In the event of a change in the place of handover of the goods, the Seller shall be obliged to notify the Purchaser of this change in writing without any unnecessary delay.
2. The goods shall be deemed as delivered by affixing a signature of the Purchaser's authorized employee on the Seller's goods issue slip. One copy of the goods issue slip shall remain with the Seller; the second copy shall be handed over to the Purchaser's employee responsible for the takeover of the goods at the place of delivery.
3. The Purchaser's employee taking over the goods from the Seller shall be entitled to describe the condition of the goods taken over in the Seller's goods issue slip. In the event of the quantity of goods not corresponding to the Seller's goods issue slip, or in the event of apparent discrepancies between the goods and the purchase order or conditions stipulated herein, the Purchaser's responsible employee shall be entitled to reprimand the given deficiencies to the Seller in the goods issue slip.

VII

Provisions concerning the Packaging Method and Price

1. The goods shall be packed so as to comply with requirements with respect to international haulage transport.
2. The packaging charges shall be paid by the Purchaser.
3. The Purchaser undertakes to take off the appropriate adjustment material together with the goods, for the following prices:
 - a wooden palette 100 CZK/pc, an iron palette 200 CZK/pc, an iron cage 200 CZK/pc, the price of small adjustments (plastic films, bands) 10 CZK/palette or cage. The prices are exclusive of VAT.

VIII

Responsibility of the Seller for Defective Goods

1. Owing to the fact that to the object of sale is goods included in bankrupt's estate, the Seller shall not be responsible for deficient or defective goods and for deviations from technical standards, which are common in the goods in question; the Purchaser agrees with this without any exceptions. The Seller is selling the goods to the Purchaser as is, and the Purchaser accepts the goods as is. This fact is reflected also in the mutually agreed low purchase price of the goods.

IX

Acquisition of the Ownership Right

1. The Parties agree with a reservation of the Seller's ownership right until the time of total payment of the purchase price invoiced to the Purchaser. The risk of damage to the goods shall be passed to the Purchaser at the moment of the handover of the goods to the first carrier or Purchaser.
2. This Purchase Agreement gives rise to the right to be paid the purchase price and its maturity.

X

Other Contractual Covenants

1. This Purchase Agreement shall be executed in two counterparts, of which each Party shall receive one.
2. In the event of the Purchaser's default in payment of the purchase price or its part by more than 7 days, the Seller shall be entitled to withdraw from this Agreement.
3. Amendments to and changes in this Purchase Agreement shall be executed solely in writing.
4. This Purchase Agreement has been drawn up for a definite period up to 31-12-2012, with effect from the day of its signature by both the Parties hereto.
5. Both Parties have properly read this Purchase Agreement, understand its content, and unconditionally agree with the individual covenants.
6. This Purchase Agreement is an expression of the authentic and free will of both the Parties.
7. This Purchase Agreement is concluded by both the Parties frankly and seriously, not under duress or under noticeably disadvantageous terms and conditions.

In witness whereof, both the Parties have attached their signatures thereto.

In _____ on _____

.....
Ing. Stanislav Kužela (Seller)

.....
_____ (Purchaser)