**  
MATTEL SALES CORPORATION (hereinafter “Seller”)**  
MATTEL SUMMARY OF TERMS AND GENERAL CONDITIONS

1. APPLICABILITY. The following summary of terms and general conditions will apply to Seller’s sales of products to Buyer.

2. TERMS OF PAYMENT. Payment in full is required (i) at the time of purchase; or (ii) after Buyer’s order is confirmed and prior to shipment or in-person pick up by Buyer. Notwithstanding the foregoing, Seller and Buyer may agree in writing on alternate payment terms prior to shipment. Orders will not be held longer than 48 hours unless otherwise approved by liquidation team management. Cash, Visa, MasterCard and Discover/Novus are accepted forms of payment. Company checks will not be accepted.

3. TITLE; RISK OF LOSS. Unless otherwise agreed in writing by the Seller, title and risk of loss shall pass to the Buyer upon delivery to a carrier, regardless of whether Seller pays the freight (the cost of which shall be borne by Buyer) to the customer designated location. All full carton loss and damage in transit claims must be filed with the delivering carrier. Buyer is responsible for filing all claims with carriers for all other shortages and no deductions are allowed from invoice payment therefor. All shipping adjustments, concealed damage or shortage claims must be filed within thirty (30) days of receipt of shipment. Requests for adjustments must be supported by seal numbers and unloading tallies (where applicable), carrier inspection reports and/or delivery receipts. However, except with respect to shipments in which the Buyer requires the carrier to drop trailers and a product count is performed without a carrier representative or agent present, the Seller may elect to handle the freight claim to resolution provided Buyer satisfies all of the following conditions: (i) written notice to Seller’s Customer Accounting Department must be received no later than sixty (60) days after invoice receipt date and (ii) the written notice shall identify the specific invoice number(s) in question and the specific Product Number. Copies of delivery receipts, inspection reports, exception details and all supporting documents must be included with the notice. In the case of complete non-delivery, assigned loss verification must also be included with the notice. After receipt of the written notice as required above, the Seller’s Logistics Department will conduct an investigation of the related claim. In the event written notice is not received by Seller from Buyer within sixty (60) days after receipt of shipment, no deduction will be allowed the Buyer. Seller will furnish Buyer with a copy of the signed, original bill of lading in order that the Buyer may trace shipment and/or file its own claim.

4. SHIPPING TERMS AND POLICIES. All shipments are made F.O.B. point of origin. In the event that Seller arranges transportation, Mattel will invoice Buyer for the freight charges associated with the shipment. Alaskan orders can only be shipped to Seattle, Washington. In the event that Buyer arranges transportation or picks up the shipment in person, Mattel shall not be liable for any charges, fees or expenses related to that shipment. All shipments are made in standard pack cartons as shown on price lists and. Standard cartons are pre-printed with stock number, description and other pertinent information and factory-sealed. Seller requires a cancellation notice to be received by its El Segundo headquarters processing the order prior to shipment. THE SELLER SHALL NOT BE LIABLE FOR DELAYS IN DELIVERY FOR ANY REASON OR FOR ITS FAILURE TO FULFILL AN ORDER.

5. DEFECTIVE MERCHANDISE; RETURNS. All sales are final and Seller does not accept the return of good merchandise that is shipped in response to a valid order. Except as set forth in Section 7, Seller does not accept any responsibility for claimed losses or expenses in connection with damaged, defective or returned products; however, Seller will make all reasonable efforts to replace damaged or defective merchandise. Seller does not guarantee the availability of replacement items for damaged or defective merchandise.

6. WARRANTY. Seller represents that the products will comply in all material respects with all applicable Federal and State product safety laws and regulations, and all applicable and mandatory product safety rules, bans and standards that are enforced by the U.S. Consumer Product Safety Commission, including any failure of a Certificate of Compliance supplied by Seller or maintained on Seller’s internet-accessible electronic platform to comply with applicable requirements of the Consumer Product Safety Improvement Act of 2008 §14(a). Seller’s products may also be warranted to consumers as shown on the packaging or other published warranties of Seller. Non-conforming products may be returned at Seller’s expense for credit, after obtaining a return authorization. Remedies for consumer warranties are expressly stated in the printed warranties. Except as set forth in Section 7 below, the foregoing shall constitute the sole remedies of the Buyer and the exclusive liability of the Seller. THESE WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

7. INDEMNIFICATION. Subject to the limitations herein, Seller will defend and indemnify Buyer against any third party claim alleging: (1) personal injury or property damage arising from (a) defect in Seller’s products (b) the negligence of Seller, its agents or employees in connection with the design or manufacture of Seller’s products or (c) the material failure of the Seller’s products to comply with an applicable Federal or State product safety law or regulations, or any applicable and mandatory product safety rule, ban or standard that is enforced by the U.S. Consumer Product Safety Commission, including any failure of a Certificate of Compliance supplied by Seller or maintained on Seller’s internet-accessible electronic platform to comply with applicable requirements of the Consumer Product Safety Improvement Act of 2008 §14(a); or (2) losses or damages arising solely from the infringement by Seller’s products of U.S. patents, copyrights or trademarks. The sale of products by Seller does not convey any license, by implication, estoppel, or otherwise, under patent claims covering combinations of said products or any parts with other devices or elements, and any such use of Seller’s products is not covered by the foregoing indemnity. The foregoing indemnification obligation of Seller is conditioned upon the Buyer promptly notifying the Seller in writing after receiving notice of a claim or loss for which indemnification is or may be sought and the Buyer’s cooperation in the defense of the action as reasonably necessary. Failure to provide such notice and/or cooperation will relieve Seller of its indemnity obligations. The Seller will have the right to select counsel and to control the defense and settlement of any indemnified claims. Buyer may employ counsel, at its own expense, with respect to any such claim (provided that if counsel is employed due to a conflict of interest or because Seller does not assume control of the defense, Seller will bear such expense). Buyer will not admit liability or enter into any settlement of a claim that adversely affects Seller’s right or interest without Seller’s prior written approval. Seller will pay any award for which Buyer is obligated to pay based on a judgment as finally awarded for a third party claim for which Seller has the obligation to defend and indemnify, but not other incidental losses or expenses. Seller (i) shall not have any obligation to indemnify and defend Buyer from any third party claim and/or (ii) may withdraw its defense and indemnity of Buyer for any third party claim, where such third party claim is based in whole or in part of any acts, omissions or directives of the Buyer, its employees, agents or contractors, including, but not limited to, alteration of the product, making representations or warranties regarding the product or selling the product with knowledge that the product was defective or where the Buyer has otherwise breached its obligations under this section. The Buyer shall defend and hold the Seller harmless against any claims, liability or loss resulting from infringement of patents, copyrights or trademarks arising from compliance with Buyer’s designs or specifications or instructions.

8. TRADEMARK LICENSE. Subject to the terms and conditions set forth herein, Seller hereby grants to Buyer a personal, non-exclusive, royalty-free, non-transferable license to use and display Seller’s trademarks as they appear on the products and their packaging (the “Seller Marks”), solely in connection with the marketing and sale of the products purchased hereunder in the United States. Buyer shall not use the Seller Marks in connection with any other products, or in connection with the marketing, distribution, sale, or resale of any merchandise which is known by Buyer to be defective, which is known by Buyer to have been materially altered or damaged, or which has been used, including unpackaged products, damaged customer returns, and “gray-market” goods. Buyer shall only use the Seller Marks in the form that they appear on the products purchased hereunder and their packaging. In all exploitations of the Seller Marks, Buyer shall place the symbols “TM”, “®”, or other applicable designations adjacent to the Seller Marks in the same manner in which they appear on the products and their packaging. Buyer shall not use the Seller Marks in any manner that is misleading, or in connection with any illegal, unethical, unfair or deceptive practices, or in any other manner that would tend to damage the reputation of Seller and its affiliates, or devalue, injure or dilute the Seller Marks or the goodwill associate therewith. Buyer will cooperate with Seller in its efforts to maintain quality control in connection with the Seller Marks and upon request will provide Seller with copies of any materials used by Buyer that bear the Seller Marks. Upon Seller’s request, Buyer shall promptly make any changes to, or cease any uses of, the Seller Marks as Seller deems appropriate in its sole discretion. Buyer acknowledges that, as between Buyer and Seller, Seller is the sole and exclusive owner of all right, title, and interest in and to the Seller Marks, and Buyer agrees not to take any action inconsistent with such ownership. All uses of the Seller Marks by Buyer, and all goodwill developed therefrom, shall inure solely to the benefit of Seller and its affiliates.

9. TAXES. Unless otherwise stated Seller’s prices do not include sales, use, excise, or similar taxes. Consequently, in addition to the price specified herein, the amount of any present or future sales, use, excise or similar tax applicable to the sale of the products hereunder shall be paid by Buyer or, in lieu thereof, Buyer shall provide Seller with a tax exemption certificate acceptable to the taxing authorities. Buyer must supply Seller with Buyer’s resale number.

10. CONFIDENTIAL INFORMATION, TOOLING AND SECURITY INTEREST. All sales program materials, sales projections, advertising plans, research, specifications, drawings, technical information and other materials furnished by Seller to Buyer that have not been disclosed to the general public by Seller shall remain Seller’s property, shall be kept confidential by Buyer and shall be returned at Seller’s request. Seller shall retain ownership of all tooling manufactured for use in making the products, even if such products are produced solely for Buyer using Buyer’s specifications. Seller shall have a security interest in the products sold hereunder until all payments (including deferred payments whether evidenced by notes or otherwise) shall have been made in full in cash, and the Buyer agrees to do all acts necessary to perfect and maintain such security interest in the Seller.

11. LIMITATION OF LIABILITY; CLAIMS. Except as provided in Section 7 (Indemnification), Seller’s liability on any claim of any kind, including negligence and breach of warranty, for any loss or damage resulting from, arising out of, or connected with, this contract; or from the performance or breach thereof; or from the manufacture, sale, delivery, resale, repair or use of any product covered by or furnished under this contract; shall in no case exceed the price allocable to the product or part thereof which gives rise to the claim. SELLER EXPRESSLY DISCLAIMS ANY LIABILITY FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION LOST PROFITS, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES WERE FORESEEABLE. Post audits of previous year’s payments that generate claims against Seller will be considered and investigated within the following time period. The allowable period will be one (1) calendar year previous to December 31 of the current calendar year. All post audit claims not within this time frame will be automatically rejected. Seller reserves the right to set-off any amounts owed to Buyer against any amounts owed by Buyer to Seller.

12. PRICES. Seller reserves the right to invoice items at prices prevailing at the time of shipment.

13. UNIVERSAL PRODUCT CODE. Buyer acknowledges that Seller is providing Universal Product Code (UPC) on some of its packages as an accommodation and convenience to Buyer. Buyer expressly agrees that Seller shall have no liability to Buyer whatsoever for the inability of Buyer’s point-of-sale electronic scanning device to scan or read said Universal Product Code and Buyer expressly releases Seller from any and all liability relating thereto.

14. VENDOR NON-COMPLIANCE CHARGEBACKS. SELLER DOES NOT ACCEPT NON-COMPLIANCE PENALTIES, FEES OR CHARGEBACKS, AND NO DEDUCTIONS FROM INVOICE BY BUYER WILL BE ALLOWED, WHETHER RELATED TO BUYER SHIPPING, ROUTING, ORDER OR OTHER BUYER-DICTATED GUIDELINES. ANY CHARGEBACK RECEIVED FROM BUYER WILL BE IMMEDIATELY DECLINED AND BE TREATED AS A PAST DUE AMOUNT OWING TO SELLER.

15. ADVERTISING SCHEDULES. Although Seller’s advertising schedules represent Seller’s current plan and Seller intends to make every good faith effort to meet them as in the past, Seller expressly reserves the right in Seller’s sole discretion to change such schedules without notice as the situation requires.

16. ATTORNEYS’ FEES & RELATED COSTS. Buyer shall pay to Seller all costs and expenses, including reasonable attorneys’ fees incurred by Seller in collecting payments due from Buyer or in enforcing any of the Seller’s rights pursuant to this agreement.

17. POLICY PROHIBITING REDISTRIBUTION OF ALTERED OR DAMAGED MERCHANDISE. Buyer acknowledges and agrees that Seller prohibits the sale (initial, resale, or barter) of: (1) factory defective merchandise for which credit and/or an allowance has been requested or received, or (2) merchandise which is known by Buyer to have been materially altered or damaged (e.g., unpackaged product, damaged consumer returns). Buyer further acknowledges that the sale of such merchandise is prohibited because of its potentially dangerous and/or hazardous condition and to preserve the goodwill of Seller’s trademarks and logos as well as those of its affiliates. Buyer agrees that, by accepting shipments of Seller merchandise, Buyer shall abide by the above prohibitions.

18. POLICY REGARDING EXPORT AND IMPORT OF MERCHANDISE. Merchandise purchased from Seller may only be distributed and sold in the 50 states of the United States of America, the District of Columbia, Puerto Rico and Guam (“the United States”). Absent express, prior written approval of an Executive Officer of the Seller, Buyer agrees not to export merchandise purchased from Seller, to countries or territories outside of the United States. Furthermore, Buyer agrees not to sell merchandise purchased from Seller to a third party if Buyer knows or has reason to know the third party intends to resell the merchandise outside of the United States.

19. BUYER’S INSOLVENCY. If the financial condition of the Buyer at any time is such as to give the Seller, in its judgment, reasonable grounds for insecurity concerning the Buyer’s ability to perform its obligations under this contract, the Seller may require full or partial payment in advance, suspend any further deliveries until such payment has been received, convert payment terms to cash in advance or apply or reapply any payment received from Buyer to outstanding invoices in Seller’s discretion. In the event of bankruptcy or insolvency of the Buyer or if any proceeding is brought by or against the Buyer under the bankruptcy or insolvency laws, the Seller shall be entitled to cancel any order outstanding at any time and shall receive reimbursement for its cancellation charges. No action by Seller shall constitute an election of remedies and nothing contained herein shall in any way limit, restrict, prejudice, or waive any of Seller’s rights and remedies available under applicable law.

20. GENERAL. All orders are subject to acceptance by Seller, and Seller retains the right to reject any order of Buyer for any reason. Acceptance of orders shall be expressly limited to these Standard Terms and Conditions of Sale. Mere acceptance of the Buyer’s order, regardless of the form on which the order is sent or transmitted, shall not alter the application of these Standard Terms and Conditions of Sale. These Standard Terms and Conditions of Sale and all matters concerned with the performance thereof shall be construed, interpreted, applied and governed in all respects by the law of the State of California. The United Nations Convention on Contracts for the International Sale of Goods shall not be applicable to this agreement. Further, it shall be construed to be between merchants. Any assignment of this contract, or any rights hereunder, by the Buyer without Seller’s written consent shall be void. Except as may be expressly provided to the contrary in writing, the provisions of this contract are for the benefit of the parties hereto and not for any other person. No waiver, alteration or modification of any of the provisions of this agreement shall be binding unless in writing and signed by a Vice President or more senior officer of the Seller.