

SUPPLIER COMPLIANCE STANDARDS

All of the suppliers (“Suppliers”) of Mamiye Brothers, Inc. (“Mamiye”), whether located in or outside the United States, are expected to conform to the principles and values expressed herein and to ensure compliance in all contracting, subcontracting, and other relationships.

1. COMPLIANCE WITH APPLICABLE LAWS

All Suppliers must comply with the legal requirements of the countries in which they are doing business, as well as the standards and practices of their industry.. Should the legal requirements and standards of industry conflict, Suppliers must, at a minimum, be in compliance with the legal requirements of the country in which the products are manufactured. If, however, the industry standards exceed the country's legal requirements, Mamiye shall favor such Suppliers who meet such industry standards.

For purposes of this Manual, Suppliers must comply with all applicable laws of the country of manufacture (country of origin and local laws) as well the laws, regulations and/or standards of the United States of America(federal government, state and local laws), whenever they shall be applicable to the Supplier, the goods, or otherwise applicable to this Manual, and any laws, regulations and/or standards of any foreign, government applicable to the Supplier, the goods, or otherwise applicable to this Manual, including, without limitation the following:

- 1.1.a. U.S. Foreign Corrupt Practices Act of 1977, as amended, and all other foreign and domestic federal, state, and local anti-corruption, anti-money laundering, sanctions, and anti-terrorism laws and regulations.
- 1.1.b. U.S. Customs and Border Protection laws and regulations, including the U.S. Tariff Act of 1930, and C-TPAT (US Customs-Trade Partnership Against Terrorism Program).
- 1.1.c. U.S. Consumer Product Safety Commission (“CPSC”) laws and regulations, including the Consumer Product Safety Act, the Flammable Fabrics Act, the Federal Hazardous Substances Act, the Poison Prevention Packaging Act, the Ban on Lead-Containing Paint and Certain Consumer Products Bearing Lead-Containing Paint (16 C.F.R. §1303), the Standard for the Flammability of Clothing Textiles (16 C.F.R. §1610), and other safety standards and guidelines enforced by the CPSC and/or promulgated under the Consumer Product Safety Act or the Federal Hazardous Substances Act (each as amended by the Consumer Product Safety Improvement Act of 2008 (“CPSIA”), including but not limited to: safety standards for bicycle helmets and multi-purpose lighters; and testing and labeling requirements for art materials under the Labeling of Hazardous Art Materials Act ;
- 1.1.d. U.S. Food and Drug Administration laws and regulations, including the Federal Food Drug and Cosmetic Act;

- 1.1.e. U.S. Federal Trade Commission laws and regulations, including the Fair Packaging and Labeling Act, the Textile Fiber Products Identification Act, the Wool Products Labeling Act, the Care Labeling Rule, the Fur Products Labeling Act, and the Federal Trade Commission Act;
- 1.1.f. U.S. Environmental Protection Agency laws and regulations, including without limitation the Clean Air Act and its prohibitions on the sales of ozone depleting substances such as chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs);
- 1.1.g. U.S. Department of Labor laws and regulations, including the Fair Labor Standards Act;
- 1.1.i. U.S. state laws, regulations, standards, and guidelines including but not limited to those promulgated under California's Safe Drinking Water and Toxic Enforcement Act of 1986 (known as Proposition 65) applicable to products sold in California;
- 1.1.j. U.S. federal, state, and local laws, regulations, and/or standards relating to products that are sold for use by children including without limitation the following:
 - 1.1.k. The Standard for the Flammability of Children's Sleepwear (16 C.F.R. §1615 and 1616);
 - 1.1.l. Restrictions on lead content in children's products and product components;
 - 1.1.m. Restrictions on phthalate content in children's toys and child care articles;
 - 1.1.n. Testing and labeling requirements for toys under ASTM F 963 as adopted under the CPSIA;
 - 1.1.o. Testing requirements for small parts, sharp edges and sharp points;
 - 1.1.p. Drawstring restrictions for apparel in accordance with CPSC guidelines;
- 1.2. For goods ordered by Supplier for the Canadian market, all Canadian federal, provincial, and local laws, regulations, standards, policies, and guidelines, including without limitation the following:
 - 1.2.a. Canadian customs laws and regulations;
 - 1.2.b. The Food and Drugs Act and the Cosmetic Regulations to the Food and Drugs Act;
 - 1.2.c. The Hazardous Products Act and its regulations, including but not limited to the Surface Coating Materials Regulations and Glazed Ceramics and Glassware Regulations;
 - 1.2.d. Health Canada policies and guidance documents;

- 1.2.e. Canadian labeling laws, regulations and guidance documents, including the Competition Act, Consumer Packaging and Labeling Act, and Textile Labeling Act;
- 1.2.f. Canadian federal and provincial legislation related to labor relations, human rights, employment standards, workplace safety and insurance and occupational health and safety;
- 1.2.g. Canadian provincial laws, regulations, standards, and guidelines including, but not limited to, the Technical Standards & Safety Act, 2000 in Ontario;

Suppliers shall comply with all import requirements of the U. S. Customs Service and all U.S. government agencies. Invoices and documentation required by such agencies must be provided in compliance with U.S. law. Suppliers shall warrant to Mamiye Brothers that no merchandise sold to Mamiye infringes on the patents, trademarks or copyrights of others, and shall provide Mamiye with all third party intellectual property licenses necessary for Mamiye to sell, distribute and otherwise exploit the merchandise sold by Supplier to Mamiye. All merchandise shall be accurately marked or labeled with its country of origin in compliance with the laws of the United States and those of the country of manufacture. All shipments of merchandise will be accompanied by the requisite documentation issued by the proper governmental authorities, including but not limited to for Form A's, import licenses, quota allocations and visas, and shall comply with orderly marketing agreements, voluntary restraint agreements and other such agreements in accordance with U.S. law. The commercial invoice shall be in English and shall accurately describe all the merchandise contained in the shipment, identify the country of origin of each article contained in the shipment, and list all payments, whether direct or indirect, to be made for the merchandise, including, without limitation, any assists, selling commissions or royalty payments. Backup documentation, and any Mamiye-required changes to any documentation, will be promptly provided by the Suppliers.

2. EMPLOYMENT

Suppliers shall meet the following terms and conditions of employment:

Compensation

Suppliers shall fairly compensate their employees by providing wage and benefits which are in compliance with the national laws of the countries in which the Suppliers are doing business and which are consistent with the prevailing local standards in the countries in which the Suppliers are doing business, if the prevailing local standards are higher.

Hours of labor

Suppliers shall maintain reasonable employee work hours in compliance with local standards and applicable national laws of the countries in which the Suppliers are doing business. Employees shall not work more hours in one week than allowable under applicable law, and shall be compensated as appropriate for overtime work. Mamiye

favors Suppliers who utilize less than sixty-hour work weeks, and will not use suppliers who, on a regularly scheduled basis, require employees to work in excess of a sixty-hour week. Employees should be permitted reasonable days off (at least one day off for every seven day period) and leave privileges.

Forced Labor, Slavery and Human Trafficking

Suppliers shall maintain employment on a voluntary basis. Forced, prison, bonded and/or indentured labor will not be tolerated by Mamiye. Mamiye will not accept products from Suppliers who utilize in any manner forced, prison, bonded and/or indentured labor in the manufacture or in their contracting, subcontracting or any other relationships for the manufacture of their products.

Child Labor

Mamiye will not tolerate the use of child labor in the manufacture of products it sells. Mamiye will not accept products from Suppliers that utilize in any manner child labor in their contracting, subcontracting, or other relationship for the manufacture of their products. For the definition of a "child", Mamiye will look first to the national laws of the country in which the Supplier is doing business. If, however, the laws of that country do not provide such a definition, or if that definition includes individuals below the age of 15, Mamiye will define "child", for purposes of determining illegal child labor, as any one who is:

- a. less than 15 years of age: or
- b. younger than the compulsory age to be in school in the country in which the Supplier is doing business, if that age is higher than 15.

Mamiye supports legitimate workplace apprenticeship education programs for younger persons.

Discrimination/Human Rights

Mamiye recognizes that cultural differences exist and different standards apply in various countries, however, it believes that all terms and conditions of employment should be based on an individual's ability to do the job, not on the basis of personal characteristics or beliefs. Mamiye favors Suppliers who have a social and political commitment to basic principles of human rights and who do not discriminate against their employees in hiring practices or any other term or condition of work, on the basis of race, color, national origin, gender, disability, sexual orientation, or political opinion.

3. WORKPLACE ENVIRONMENT

Mamiye maintains a safe, clean, healthy and productive environment for its associates and expects the same from its Suppliers. Factories working on Mamiye merchandise shall

provide adequate medical facilities, fire exits and safety equipment, well lit and comfortable workstations, clean restrooms, and adequate living quarters where necessary. Mamiye will not do business with any Supplier which provides an unhealthy or hazardous work environment or which utilizes mental or physical disciplinary practices.

4. CONCERN FOR THE ENVIRONMENT

Mamiye strives to be a leader in protecting the environment. Mamiye encourages its Suppliers and their vendors to always Reduce, Reuse, and Recycle. Mamiye also encourages its Suppliers to reduce excess packaging and to use recycled and non-toxic materials whenever possible. Mamiye will favor Suppliers who share this commitment to the environment.

5. REGULAR INSPECTION BY SUPPLIER

On a quarterly basis, Supplier shall conduct inspections of each of its facilities which produces merchandise sold to Mamiye. Supplier shall report to Mamiye the results of each inspection, including any violations, and shall promptly remedy any violations following the inspection.

6. RIGHT OF INSPECTION

To further ensure proper implementation of and compliance with the standards set forth in this Manual, Mamiye, or a third party designated by Mamiye, will undertake affirmative measures, such as on-site inspection of production facilities, to implement and monitor said standards. Any Supplier which fails or refuses to comply with these standards is subject to immediate cancellation by Mamiye of all of its outstanding orders with that Supplier as well as refusal by Mamiye to continue to do business in any manner with that Supplier.

7. BAN ON UZBEKISTAN COTTON

Mamiye is committed to the highest standards of behavior and social responsibility. Until there is convincing evidence that forced child labor is not being used to produce cotton in Uzbekistan, Mamiye specifically prohibits the use of Uzbekistan cotton in the manufacture of merchandise intended for Mamiye and its customers. Suppliers should fully comply and communicate this policy to all supply chain partners involved in supplying raw materials for use in such merchandise.

8. CONFIDENTIALITY

This Manual is the property of Mamiye and contains valuable proprietary information. It is furnished to all Suppliers in confidence and solely for use in connection with their business with Mamiye. This manual and its contents are to be maintained in strict confidence, and should not be divulged to anyone other than those who need to know its contents for the purpose of the Suppliers' business with Mamiye Brothers. No portion of this Manual may be reproduced, photocopied, or reprinted without written authorization from Mamiye.

As an officer of _____, a Supplier of Mamiye, I have read the principles and terms described in this document and understand my company's business relationship with Mamiye is based on said company being in full compliance with these principles and terms. I further understand that failure by a Supplier to abide by any of the terms and conditions stated herein may result in the immediate cancellation by Mamiye of all outstanding orders with that Supplier and refusal by Mamiye to continue to do business in any manner with said Supplier. I am signing this statement, as a corporate representative of _____, to acknowledge, accept, and agree to abide by the standards, terms, and conditions set forth in this Manual between my company and Mamiye, I hereby affirm that all actions, legal and corporate, to make this Agreement binding and enforceable against _____ have been completed.

SUPPLIER COMPANY NAME,
ADDRESS, TELEPHONE AND FAX NUMBER

REPRESENTATIVE SIGNATURE:

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TYPED NAME:

TITLE:

DATE:
