
ORSAY SUBMISSION



Clean Clothes Campaign Wage Survey

Response ID:70; Data

1. Login/Password Action

2. Introduction

1. Company name:

ORSAY GmbH

2. Brands owned by company:

-

3. Main contact person:

Name: : Klein Matthias

Email: : matthias.klein@orsay.com

Contact phone number: : 00 49 78529100

3. The living wage standard

4. 1.1 What is your company's position on payment of the living wage to workers in your supply chain?

We are about to implement payment of the living wage. This fall our revised Code of Conduct will be distributed to all our suppliers

5. 1.2 Please give the link to the code of conduct which is used when monitoring conditions in your supplier factories. If it isn't publicly available, please upload a copy using the option below.

http://world.orsay.com/fileadmin/user_upload/pdf/ENGL/Kopie_von_ORSAY_Code_of_Conduct_V4_20110408.pdf

Upload option.

[ORSAY_Manual_2013_CSR_EN.pdf](#)

6. 1.3 Does your company agree with the definition of a living wage as given [here](#)?

Yes

If no, please provide details of how your definition of a living wage is different and give justification.

4. Respect for freedom of association and collective bargaining, a precondition for a living wage

7. 2.1 How has the right to Freedom of Association and Collective Bargaining been clearly communicated to workers in your supplier factories and subcontractors?

It has been communicated through:

- our Code of conduct sent and signed by 100% of our suppliers

- social officer visits 42% of the suppliers

Percentage of supplier factories and subcontractors reached by these measures:

100%

Please supply an example of materials used:

8. 2.2 Do you support or facilitate training for workers to ensure they are aware of their right to freely associate, in conjunction with local independent trade unions or workers' rights organisations? Please supply details:

During our CSR audit the social officer checks through individual worker interview (without management presence) their awareness. General (anonymous) feedback is given afterwards to the management

Percentage of supplier factories reached by these measures: : %

9. 2.3 Do you provide training for management of your supplier factories and subcontractors on the right to freedom of association?

Supplier visits through social officer

Percentage of supplier factories and subcontractors reached by these measures:

42%

10. 2.4 Have your supplier factories and subcontractors issued the Right to Organise Guarantee to workers in any of your production units?

	Country:	Number of suppliers:	Details:
1:			This is a part of our CoC but we do not ask for evidence
2:			
3:			
4:			

Please provide a sample of materials used in specific countries:

11. 2.5 Do you require supplier factories and subcontractors to sign Union Access Agreements? If yes, please supply details.

No, This is a part of our CoC but we do not ask for evidence

Number of supplier factories with agreements:

Please provide a sample of agreements signed:

12. 2.6 Does your company have an accessible, actionable and safe means by which workers can file and follow up on complaints about violations of freedom of association and collective bargaining rights? How do you monitor that this can be accessed freely by workers?:

The availability of suggestion boxes is verified through on-site visits. Suppliers register complaints with date and outcome/solution

13. 2.7 Have you done any work to limit the use of short term contracts in your supplier factories and subcontractors?

Please provide details of your policy and its impacts in relevant countries: : We never asked this question but it

is an important topic that we will integrate in our audit reports and be able to define a policy

14. 2.8 Is there anything else you would like to tell us about work you have done so far, or work you are planning, to promote the right to freedom of association in your supply chain?

We are working on a detailed strategy and project plan where the topic is covered.

CSR is part of our corporate objectives

Anyway we report to our shareholders, board of directors and employees on a regular basis for awareness raising and actions.

5. Dialogue and negotiation with labour rights organisations

15. 3.1 Please provide details of any active collaborative work undertaken with independent trade unions or labour rights organisations in your sourcing countries:

Not yet available but we are working on the topic and count on the work together with other member companies of ETI. Up to know such a topic is difficult to handle based on the size of our company

16. 3.2 Have any of your collaborations resulted in unions or bargaining processes starting within your supplier factories?

-

6. 4. Benchmarks for a minimum living wage

17. 4.1 Does your company have internal figures that it uses to benchmark living wages for each sourcing country or region?

Yes

If yes, please provide details of how these were developed and how they are used:

Yes, we started in summer 2012 to collect the minimum and maximum salary of a factory during our on-site visits as a control for the minimum wage. We compare now those incomes with the amount stated in AFW in order to define gaps and build a strategy to improve the situation

18. 4.2 Please provide information about the figures you are using to benchmark a living wage in your 3 main production countries or regions.

	Country/region	Living wage benchmark
1.	N/A	
2.		
3.		

19. 4.3 Please give details of the number of your supplier factories in Asia that are currently paying the [Asia Floor Wage](#).

	Country/region	Number of supplier factories paying Asia Floor Wage
1.		all suppliers pay at least minimum wage
2.		
3.		
4.		

7. Purchasing practices that make living wages possible

20. 5.1 Is your company doing work to limit the use of subcontractors in your supply chain and/or consolidate your supplier factory list? Please provide details:

Yes, we constantly try to limit the number of suppliers:

More than 3 factories per supplier need prior written approval of sourcing director.

Subcontractors need to be announced beforehand.

Data is cross-checked through a questionnaire sent by CSR department

21. 5.2 Does your company operate a policy of buyers favouring supplier factories that consistently meet a high wage standard? How?

This will require an evolution of our sourcing strategy in the coming years

22.

Are other incentives provided for buyers or supplier factories to work towards a living wage for workers? :-

How is this monitored? :-

23. 5.3 Does your company break down and calculate whether FOB prices per piece are sufficient to allow for compliance with the wage standard your company has set out in its code of conduct?

Cost of manufacturing is not yet broken down. We will need to implement it within the next years in order to get more transparency to control worker wages.

24. 5.4 Does your company operate a policy of buyers favouring supplier factories that support the establishment and functioning of genuine trade unions, and those with collective bargaining agreements?

This will require an evolution of our sourcing strategy in the coming years

25. 5.5 Please provide information about any other work your company has done / is planning to do on improving your purchasing practices, in relation to wages.

We start to work closely with ETI and in working groups with other members regarding supply chain wages.

Further project work needed as we are just about to implement the living wage

8. Living wage projects

26. Please provide details of any projects here. Please note you can cut and paste long pieces of text into these small boxes if necessary:

	Project 1	Project 2	Project 3	Project 4
Location:				
Number of factories and workers involved:				
Living wage benchmark used:				
Partnerships:				
Wage increase achieved:				
Details of process:				

27. Please upload any useful supporting documentation here:

9. New Page

28. 7.1 Have you publicly supported calls from civil society and unions to increase the minimum wage to a living wage standard in your production countries? Have you made this position clear towards governments and employers associations?

This kind of statement is not adapted to the size of small companies like ORSAY. That is why we prefer to concentrate our efforts in participating to MSI / ETI working groups.

29. 7.2 As part of this work, have you issued a public statement assuring country governments that you will not relocate production as a result of minimum wage legislation that ensures a living wage?

Up to now such a topic is difficult to handle based on the size of our company.

10. Transparency

30. 8.1 Does your company publish a full public list of supplier factories, and sub contractors, their locations and products?

We are a family owned company we do not publish this kind of information for confidentiality purpose. But it may become a topic of discussion in our Roadmap 2015.

Do you have plans to publish a full list in the future?

Will be defined in our roadmap 2015

31. 8.2 Does your company publish impact reports on projects related to wages?

not yet

11. Collaborative working

32. 9.1 Please provide details of your involvement with any multi-stakeholder initiative projects working to improve wages:

ETI, round tables of SMEs and separate working group regarding supply chain wages

33. 9.2 Please provide details of any work you have initiated outside an MSI, directly with other companies which has improved wages:

N/A

34. Supporting documents:

12. 10. A clear route map for implementing a living wage for all workers

35. 10.1 Has your company developed a strategy for delivering a living wage in your supply chain? Is this a public commitment?

10.1. Our revised CoC which basis on the ETI base code will be distributed fall 2013 and after that published on

the internet. Strategy definition is running
10.2.

36. 10.2 Does this strategy have a time scale? If yes, please state.

We are about to define a time scale and detailed strategy on how implementing the living wage by 2015

37. 10.3 What consultation have you carried out on this strategy, both within and outside your company?

Consultation with other members of ETI and research internally

38. 10.4 How will you ensure that vulnerable workers, such as homeworkers or migrant workers are also included in efforts to increase wages?

We are about to define a time scale and detailed strategy on how implementing the living wage

39. 10.5 Is there anything else you would like to tell us about your work on the living wage that hasn't been covered in this survey?

-

13. Further questions about your supply base

40. 1. What are your main production countries? Please state percentage of total production per country and the number of supplier factories.

	Country	Percentage of production	Number of suppliers
1	Turkey	16%	29
2	China	16%	28
3	Poland	16%	28
4	India	12%	21
5	France	7%	13
6	Great Britain	6%	11
7	Tunisia	4%	8
8	Morocco	4%	7
9	Hong Kong	3%	6
10	Bangladesh	2%	4

41. 2. What kind of trade partners are part of the sourcing structure? Please indicate an approximate % of volume share of your production:

Production at factories owned by your company: : 0%

Orders placed directly to supplier factories: : 75%

Orders placed through agencies or intermediates: : 20%

Other: : 5%

42. If other, please specify.

importers = 5%

43. 3. What is the length of time that you have been working with your current suppliers?

	% of suppliers
More than 5 years:	1%
2-5 years:	62%
Less than 2 years:	37%

44. 4. How many sites did you use to produce your goods in 2012?

First tier suppliers: : 95%

Sub contracted suppliers: : 5%

45. 5. How many supplier factories do you trade with where you have a regular production share of more than 25%?

Number of suppliers: : 28

Please list suppliers, country and % of product share at the factory: : 7%

Response Location

Country:	Europe
Region:	
City:	
Postal Code:	
Long & Lat:	Lat: 47, Long:8

The logo for Orsay, featuring the word "orsay" in a white, lowercase, serif font with a distinctive flourish on the 'y', set against a dark grey rectangular background.

orsay

CSR Manual

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1 Code of Conduct

The ORSAY retail company is referred to as “The Principal” in the following. For the purposes of this Code of Conduct, the term “business partner” will mean any enterprise that provides the Principal with the final product or with materials or products used in the final product, that performs work or that provides services. This Code of Conduct should in no way be regarded as substitution or replacement of national or international laws or institutions but acts as a regulation imposed by the Principal.

1.1 Preamble

The Principal aims to maintain a standard of excellence in every aspect of the business, including legal, ethical and responsible conduct in all our operations. The Principal expects these commitments to be shared by all business partners that are affiliated with the manufacturing process for the Principal’s goods.

The Principal commits itself to the basic principles of human rights, to respect for human dignity as laid down in the International Bill of Human Rights (UNDHR, Civil and Social Covenant) and the Conventions of the International Labour Organization (ILO) and the basic principles of environmental protection. National legal regulations which are more stringent than this standard do apply in all cases.

1.2 General Obligations of Business Partners

1.2.1 Commitment

All business partners must sign the Code of Conduct as part of their contracts with the Principal. Suppliers must require the factories manufacturing on behalf of the Principal to accept the Code of Conduct. The Principal intends to cultivate a long-term relationship with the business partners.

1.2.2 Subcontracting

The Principal’s business partners must not subcontract any portion of the manufacturing process without prior written approval from the Principal; this also includes home workers. As a condition for approval, subcontractors shall agree to comply with the Code of Conduct and need to disclose full name and address. The Principal reserves the right to control the subcontracting factory at any time either directly or via a nominated partner. All connected costs will be taken over by the business partner.

1.2.3 Information and Communication

Business partners must post the Code of Conduct, which is translated into the language of the worker, in a freely accessible location in all major workplaces and to the knowledge of all workers. The business partner must train workers on their rights and obligations as defined by this Code of Conduct and all applicable local laws.

1.2.4 Management and Reporting

Business partners must appoint persons who are responsible for the implementation and maintenance of the Code of Conduct and must name these persons as contact persons to the Principal, which must be able to report about their level of compliance with the Code of Conduct.

1.2.5 Legal Compliance

All business partners of the Principal shall comply fully with all national legal regulations, specifically labour and social laws. In addition, all business partners shall obey the details of this Code of Conduct as it is based on the ILO Regulations, whichever is more stringent.

1.2.6 Transparency

The Principal's business partners shall maintain complete and accurate records and information so that compliance can be effectively assessed. Factories are obliged to disclose all necessary documents to the Principal's auditor. All business partners are obliged to give full information on the manufacturing sites for the Principal's products, in other words the name and address of the factory that is manufacturing on behalf of the Principal.

1.2.7 Control

For the purpose of controlling performance and timely progress in development, the Principal or an authorized third party may perform an audit at any time and without prior notice.

The Principal will reserve the right to terminate business relations whenever serious breaches of basic human rights, wilful violations of the standard, or systematic forgery and/or persistent lack of cooperation are found.

1.2.8 Development

It is expected that the factories fully cooperate during control visits and that they dedicate convincing efforts to the goal of improving their social performance, and rectify violations of the Code of Conduct.

1.3 Guiding Principles for Factory Operations

1.3.1 Respectful Working Atmosphere

The business partners commit themselves to enabling decent working conditions for their workers. Any kind of corporal punishment, psychological, physical, sexual or verbal harassment and abuse, and any other form of intimidation is prohibited. Disciplinary measures in case of misconduct of workers are in line with national law and internationally recognized human rights, and are in no case degrading or involve inflicting monetary penalties. No arbitrary punishment is allowed in the case of a worker's illness or pregnancy.

1.3.2 No Child Labour

According to the principles and recommendations listed in the Child Welfare International Agreement, the Principal acknowledges the right of each child to be protected against commercial exploitation and ensures that they are not submitted to working conditions compromising their physical, mental or moral development. Child labour is forbidden as defined by ILO and UN conventions and/or by national law. The Principal must refer to ILO conventions 138, 182 and ILO recommendations 146 & 190 which are the following:

- *Convention concerning Minimum Age for Admission to Employment (ILO 138)*
- *Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour (ILO 182)*
- *Recommendations concerning Minimum Age for Admission to Employment and Concerning the Prohibition (ILO Rec. 146)*
- *Recommendation concerning Immediate Action for the Elimination of the Worst Forms of Child Labour (ILO Rec. 190)*

Regulations for the protection of young workers are followed and they are subject to particular protection by the business partner. Children and young persons under 18 shall not be employed at night or in hazardous conditions and shall not work overtime.

1.3.3 Health and Safety at Work

The workplace must not harm workers' health and safety. A safe and hygienic working environment is provided and has to be maintained.

Occupational health and safety practices and PPE are promoted and provided, which prevent accidents and injuries in the course of work or as a result of the use of employer facilities. Workers are trained on a regular basis to understand and follow the necessary protective and safety procedures, which include fire and evacuation drills; these must be done regularly and must be documented in a book of records.

Evacuation plans must be communicated to the workers; emergency exits need to be clearly indicated and their doors must open to the outside. Fire alarms must be controlled regularly. Staff members of each department must be trained in the basics of first aid. Fire extinguishers in working order and first aid material adapted to the risks must be made available on the premises.

(ILO 155)

1.3.4 Legal Working Hours

Working hours are set and planned in accordance with local law and regulations. Workers will not work more than 48 hours in a regular working week. Overtime only occurs occasionally, is voluntary, does not exceed 12 hours per week on a regular basis and will be compensated. All workers will take and be granted at least 24 hours off after 6 consecutive days of work.

(ILO 1)

1.3.5 Fair and Legal Compensation

Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

Deductions from wages as a disciplinary measure shall not be permitted, nor shall any deductions from wages not provided for by national law be permitted without the express permission of the worker concerned. All disciplinary measures should be recorded.

1.3.6 Legal Employment

Employment in the factory is based on a formal document such as a working contract or letter of appointment. This document details the terms and conditions of employment including wages, period of payment, benefits, leave entitlement and provisions for the termination of employment as defined by national law. All workers must be registered.

All workers shall be provided with written and understandable Information about their employment conditions in respect to wages before they enter employment, and about the particulars of their wages for the pay period concerned each time that they are paid.

1.3.7 No Forced Labour

The Principal's business partners must not use any type of forced, bonded, compulsory or prison labour. Business partners must ensure that all employment is voluntary, and free from violence or threats. There shall be no restriction on movement or withholding of personal documents. No measures may be undertaken whereby workers are prevented from leaving the business partner or the production plant as laid out in their working contracts and in national law. Legally inadmissible disciplinary measures are prohibited. If the business partner uses external recruiting agents, the business partner shall pay all related fees.

(ILO 29, 105)

1.3.8 Non-Discrimination

The Principal's business partners must not discriminate in employment practices, including recruitment, hiring, compensation, training, benefits, advancement, termination or retirement, on the basis of race, colour, ancestry, national or social origin, religion, marital status, age, sexual orientation, gender identity or expression, disability, political opinion or any other personal characteristics or beliefs. Any distinctions in treatment, especially with regard to payment, are solely based on skills and working experience.

Pregnancy tests shall not be a condition of employment and shall not be demanded. Workers shall not be forced or pressured to use contraception. If required by national law, the business partner must provide appropriate services to women workers in connection with pregnancy, childbirth and nursing. If the business partner allows women to bring their baby/child, a dedicated accommodation and adequate service needs to be provided as children are not allowed on the production floor.

Workers taking maternity leave shall be entitled to return to their employment under the same terms and conditions that applied prior to leaving.
(ILO 100, 111, 183)

1.3.9 Freedom of Association

It is the right of workers to set up or join workers' organisations of their choice (including unions) for collective bargaining.

If the right to freedom of association and collective bargaining is restricted by national law, workers shall be allowed to form bodies to represent their interests and to enter into direct dialogue with their employer (parallel means).

The business partner ensures that employee representatives have free access to all workplaces to carry out their representation functions and are not subject to discrimination.

(ILO 87, 98, 135, 154)

1.4 Environmental Standards in Production

Preserving the natural principle of life is fundamental, and is the basis for a successful economic activity in the future. The environment is of increasing global concern. Therefore the Principal expects its business partners to act responsibly in this respect.

Procedures for handling waste and chemicals, as well as other dangerous materials, emissions and effluent treatments must be in line with legal requirements.

A material safety data sheet (MSDS) must be available in the local language, and the instructions in the MSDS must be followed. Chemicals must be safely stored and labelled properly.

(ILO 170)

1.5 COMMON Specific Obligations Regarding Business Partner

1.5.1 Merino Wool / Mulesing:

The Principal has decided to direct the orders for merino wool toward suppliers who can demonstrate that this practice has not been applied.

1.5.2 Sandblasting:

The Principal has decided to ban the sandblasting technique, and we expect the business partners to use harmless substitutions.

1.5.3 North Korea:

The Principal has decided not to source in this area and to not build up relations with North Korean suppliers.

1.5.4 Uzbek cotton:

The Principal has decided not to source cotton coming from Uzbekistan.

2 ORSAY Framework Agreement regarding Health and Safety in Compliance with Statutory Provisions

2.1 Preamble

The purpose of this contract is to ensure the health and safety of the Principal's clients and workers in the distribution countries and along the supply chain in compliance with the laws and directives applicable in the respective countries, and also insofar as these concern areas other than health and safety.

The European Union REACH regulation was enacted June 1st, 07 and will be phased through to 2018. The main objective of this regulation is to ensure a high level of protection of human health and the environment. We at ORSAY have always expected our business partners to conduct their business in compliance with new environment and health protection requirements.

Taking into account the importance and the necessity of steps taken in order to assure that all of our suppliers consistently comply with the local laws and regulations of our distribution markets and REACH requirements, we have decided to formalize our expectations towards the supplier.

This means that the chemical substances known for use in the production of raw material, components and finished products must come from reputable suppliers. All products produced for the Principal shall have a Bill of Material (BOM), and the Agent must be able to verify that finished products do not contain SVHC levels that exceed prescribed regulatory thresholds or other toxic substances regulated by local laws. This will make the full knowledge and traceability of the Agent's raw materials, components and finished products essential.

2.2 Subject matter of the contract

The subject matter of the contract is the regulation of the duties incumbent upon the Agent, which exceed currently existing contracts and agreements, when supplying goods to the Principal.

In light of recent recall events concerning safety and quality, together with new and tightening chemical regulations, the Principal will require the Agent to improve safeguards and product safety. In other words, the Agent has to know what substances are in his products and implement appropriate controls and monitoring programs in order to ensure that problematic substances are not used in the Principal's product.

2.2.1 Agent's duties

The Agent shall only supply the Principal with goods which comply with Oeko-Tex® Standard 100.

Where there are statutory regulations or provisions in place in the distribution countries which go beyond the requirements of Oeko-Tex® Standard 100, these must also be complied with.

With each delivery, the Agent shall send the Principal an unsolicited list of the chemical components used in the respective goods supplied (including materials, ingredients and packaging).

In addition, the Agent shall also retain the aforementioned details regarding the chemical components used, in such a way that the Principal may call up this information at any time.

The Agent's details with regard to the chemical components must meet the prerequisites of the European stipulations (currently REACH). This shall also apply to goods which are distributed outside of Europe.

All Agents must:

- Make sure that all products fulfil all requirements as described in the Framework Agreement regarding Health and Safety in Compliance with Statutory Provisions
- The Agent must inform his raw material and accessories suppliers about the local laws and regulations of our distribution markets and REACH regulations to make sure that their products are consistently compliant with the requirements
- Provide the necessary information on the Bill Of Material for the products to the Principal in order to make the chemical inventory
- If required, the Agent should conduct all relevant chemical tests (through an accredited laboratory) in order to make sure that their products do not contain hazardous or toxic substances regulated by local law in ORSAY distribution markets, or listed in Annex XIV, and are compliant with the Annex XVII requirements.
- This REACH requirement is additional to current test requirements (such as dimensional stability, colourfastness, etc)

It shall be the duty of the Agent to obtain information regarding the statutory provisions and regulations in the respective distribution countries.

Should the Agent receive the information regarding the relevant provisions from the Principal, this is to be regarded as an act of support. However, this shall not release the Agent from its duty to obtain information regarding the respective applicable provisions. Information about the candidate list can be found on the ECHA homepage →<http://echa.europa.eu/home>

In order to ensure compliance with the statutory provisions that apply in the respective distribution countries, the Agent must take note of the most stringent regulations in each case.

The Principal reserves the right to request that a third party visit the factory for inspection, and to draw samples from the production line at any time to test for compliance with product specifications and applicable chemical directives.

If raw materials, components and finished products coming from reputable suppliers to ORSAY are already Oeko-Tex certified, a copy of the Oeko-Tex Certificate must be sent to ORSAY that guarantees the certification including REACH standards. Old certificates without REACH substance tests cannot be accepted.

The Principal strives to ensure product safety and most importantly must be able to respond to the 45-day obligation. This obligation is based on the precautionary principal and requires us to respond to a consumer request asking if any SVHCs exist. This requires the full knowledge and traceability of the Agent's raw materials, components and finished products.

2.2.2 Principal's duties

The Principal shall in each case keep the Agent updated about the list of those countries in which the goods it supplies are distributed.

The goods are currently distributed in the following countries: Germany, Austria, Switzerland, Poland, Czech Republic, Romania, Slovakia, Hungary, Russia, Lithuania, Latvia, Ukraine, Serbia, Montenegro, Slovenia, Croatia, Bosnia-Herzegovina, Bulgaria, Malta, Armenia, Estonia, Finland, Kazakhstan, Kosovo, Moldova and Albania as of February 2013.

This list may change from time to time. A regular updated listing of countries can be found on the Principal's homepage, www.ORSAY.com.

2.2.3 Compensatory duties of the Agent

Should the Agent breach the duties incumbent on him as arising from this agreement, and as a result of which one or more of the Principal's clients or a third party suffer damage to their health, or should the Agent be held liable by clients or third parties due to other breaches of law, the Principal shall have an immediate right of recourse against the Agent, covering full damages.

Should the Principal incur more extensive damages (e.g. damage to its image), it shall be entitled to extensive claims for full compensation in respect of the Agent.