

STANDARD TERMS OF PURCHASE

The Terms and Conditions below may be modified at any time without notice by Hanesbrands Inc. at its sole discretion.

These Standard Terms of Purchase are part of each purchase order that Hanesbrands Inc. or any Affiliate of Hanesbrands Inc. issues. In these Standard Terms of Purchase, "Buyer" means either Hanesbrands Inc. or an Affiliate of Hanesbrands Inc., as specified in the purchase order, "Seller" means the seller named in the order; "goods" and "services" mean the goods or services that Buyer is to purchase from Seller, as described in the purchase order; "Contract" means any contract formed pursuant to the purchase order, "order" means the purchase order; "Affiliate" of an individual or entity means at any time any corporation, limited liability company, partnership or other entity or individual that then controls, is controlled by, or is under common control with, that individual or entity; and, "control" of an entity means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the entity.

1. Agreement. The order is subject to the terms of any written agreement between Buyer and Seller in which they have agreed that these Standard Terms of Purchase will apply to Buyer's purchases from Seller. If there is ever a direct conflict between a provision of any such written agreement and a provision of these Standard Terms of Purchase, then the provision of the written agreement shall prevail. If for any reason, however, there is not such an agreement, then: (1) the order is Buyer's revocable offer to buy, and Buyer rejects any earlier offers that Seller has made to sell to Buyer; (2) if the order nevertheless is in legal effect an acceptance of an earlier offer by Seller, then Buyer's acceptance is conditional upon Seller's assent to all terms of the order that are additional to or different from the terms of Seller's offer; and, (3) by signing and returning a copy of the order or by accepting the order electronically or by shipping the goods or performing the services, Seller (a) accepts Buyer's offer and, if Buyer's order is in legal effect an acceptance of an earlier offer by Seller, (b) assents to all terms of the order that are additional to or different from the terms contained in Seller's offer.

2. Taxes and Payment Terms. Unless Buyer agrees otherwise in writing, Buyer shall not be required to pay any sales, use or other taxes, assessments, fees or duties arising because of Buyer's purchase from Seller or Seller's manufacture, performance or sale of the goods or services (including, without limitation, any tax, assessment, fee or duty measured or imposed upon Seller's income, payroll or property and any franchise tax) ("Taxes"), and Seller shall be responsible and liable for paying, and shall pay, all Taxes. If Buyer agrees in writing to pay any Tax, then the correct dollar amount of the Tax shall be separately stated on Seller's invoice. Buyer shall not be required to pay any late charge, interest, finance charge or similar charge. Buyer's payment of the price does not indicate its acceptance of the goods or services. Payment terms, including discount periods, shall run from the latest of (1) the scheduled date for delivery or performance, (2) the actual date of delivery of conforming goods or performance of conforming services, (3) the date on which Buyer receives a correct and conforming invoice from Seller, (4) in the case of capital equipment, completion of Buyer's final inspection and acceptance after installation, (5) in the case of tooling, Buyer's approval of production pieces produced by the tooling at Buyer's facility, and (6) Seller's furnishing to Buyer of any evidence that Buyer requests establishing that none of Buyer's real or personal property shall have or will become subject to a lien or claim by reason of Seller's or any subcontractor's sale or furnishing of the goods or performance of

the services. If during the term of this Contract, Seller makes sales of the same goods or services to any third party in like quantities and of like quality, at prices lower than the prices then in effect under the Contract, said lower prices shall apply on all goods thereafter shipped to or services performed for Buyer under this Contract.

3. Delivery and Force Majeure. All sales shall be in accordance with the applicable terms as communicated by Buyer to Seller. Seller agrees to provide pricing for alternative shipping and delivery terms as requested by Buyer. Buyer shall have the right, in its sole discretion, to choose among such alternative shipping and delivery terms for any order. Title to the goods in transit shall remain with the Seller until the goods arrive at the destination port, or at the international border of the destination (Buyer's) country if traveling via land conveyance, at which point title to the goods shall transfer to the Buyer. No liability shall be incurred by Buyer and the risk of loss shall not pass to Buyer until legal title passes as set forth above, in good condition and accepted by Buyer. Seller shall use any mode of shipment, carrier and routing that Buyer specifies. Buyer will not allow extra charges for packing, cartage, drayage, storage or anything else unless stated in this Contract or otherwise agreed to in writing by Buyer. Time of delivery or performance is of the essence, and Buyer's stated delivery date(s) or performance schedule and the date for performance of any other obligation of Seller shall not be extended or excused for any reason, including anything that Seller cannot control, except as provided in the following sentence. Seller shall not be liable for any nonperformance or delay in performance caused solely by a Force Majeure Event, if Seller immediately notifies Buyer of the Force Majeure Event and gives Buyer a detailed description of the non-performance or delay that it will cause. Buyer shall then have the right (1) to acquire all or part of the goods or services from others, and/or (2) to terminate the Contract by giving Seller written notice of termination, and/or (3) to require Seller to deliver or perform in accordance with a revised schedule that Buyer specifies, and/or (4) to require Seller to ship all or part of the goods by expedited means, at Seller's expense. The provisions of Paragraph 12 of these Standard Terms of Purchase shall apply to any such termination by Buyer. Except as provided in this Paragraph 3, no event or circumstance shall excuse any non-performance or delay by Seller or limit Seller's liability for any non-performance or delay, even if the event or circumstance is a contingency the nonoccurrence of which was a basic assumption on which the Contract was made. "Force Majeure Event" means any of the following events and circumstances if it occurs without any fault or negligence of Seller and if Seller could not have anticipated it: a strike, lockout, riot, war, act of terrorism, insurrection, act of God or public enemy or any other event or circumstance that is beyond Seller's reasonable control.

4. Excess, Installment and Early Deliveries. If Seller delivers more goods than Buyer ordered, then, unless Buyer agrees otherwise in writing, Buyer shall not have to pay for the excess, and Buyer may, at Seller's risk and expense, either store the excess or return it to Seller. Unless Buyer agrees otherwise in writing, Seller shall deliver all of the goods in a single delivery and not in installments. Buyer's acceptance of a delivery that contains less than the required quantity shall not relieve Seller of its obligation to deliver the balance of the ordered goods at the price and on the other terms that the order specifies. If Seller delivers the goods before the scheduled delivery date, then Buyer may, at Seller's expense and risk, either store them or return them to Seller. Buyer's acceptance of an early delivery shall not change the payment terms.

5. Export and Import Requirements; Drawback and Refund Rights. Seller shall prepare, maintain and, to the extent that applicable law, regulation or customs authority requires it to do so, submit to the applicable customs authorities, all information and documentation that is necessary to comply with the applicable customs and export and

import requirements of each country from which the goods will be exported and each country into which they will be imported, and Seller shall comply with all other applicable customs requirements, including, without limitation, entering required information into Buyer's or brokers' systems. Whenever Buyer requests it to do so, Seller shall promptly furnish to Buyer copies of that information and documentation. Seller is solely responsible for complying with all technical compliance and country of origin requirements of each country into which the goods are to be imported. Seller assigns and transfers to Buyer all transferable customs duty and tax drawback or refund rights relating to the goods, including rights developed by substitution and rights that Seller acquires from its suppliers. Seller shall promptly inform Buyer of each such right and, upon Buyer's request, shall promptly provide to Buyer all documents and information that are required for Buyer to obtain each such drawback and refund.

6. Inspection and Tests. Buyer's employees or agents may at any time during Seller's normal business hours enter Seller's premises or any other location to inspect and test the goods and services, Seller's process of manufacturing the goods and any raw materials or work-in-process that Seller will use in the manufacture of the goods or performance of the services and Seller's operations generally, for the purpose of determining whether Seller and the goods and services are and will be in compliance with the requirements of the Contract, including, without limitation, the warranties, representations and agreements contained in Paragraphs 8 and 9 of these Standard Terms of Purchase. To the extent that Buyer requests Seller to do so, Seller shall perform testing with respect to each shipment of the goods to determine whether the products comply with the requirements of the Contract. The testing methods and procedures shall conform to the standards, specifications and other requirements (1) that Buyer provides to Seller, (2) that are prescribed by any applicable law or regulation or requirement of any governmental agency, or (3) that are otherwise specified or agreed to in writing. Upon Buyer's request, Seller shall furnish to Buyer, before or upon delivery of the goods, a copy of the results of, and a certificate of analysis with respect to, each test. Seller shall make a record of the date, time and results of each test and the testing procedure used and shall retain all inspection and test records for two years after the goods are delivered to Buyer or for any longer period that Buyer specifies. Upon Buyer's request from time to time, Seller shall furnish copies of the records to Buyer at no charge.

7. Blanket Order. If the order states that it is a blanket purchase order or blanket purchasing agreement, then, except to the extent otherwise expressly stated in the order, (1) Seller is obligated to deliver to or perform for Buyer all goods or services that Buyer orders or releases during the period, or in accordance with any delivery or performance schedule, specified in the order, (2) Buyer is not obligated to order, release or purchase from Seller any particular quantity or volume of goods or services, and (3) Buyer may purchase any or all of the goods or services from others.

8. Representations, Warranties and Agreements About Seller. Seller represents and warrants to Buyer, and agrees, that (1) Seller has all necessary experience, qualifications, expertise, authority, licenses and permits to enable it to perform its obligations under the Contract, (2) the Contract is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, (3) Seller is and, at the time of each delivery of the goods will be, solvent, (4) Seller has not offered or given, and shall not offer or give, any gratuity or thing of value to any employee of Buyer or of any Affiliate of Buyer, (5) **Hanesbrands Inc. is an equal opportunity employer and federal contractor. Consequently, the parties**

agree that, to the extent applicable: (1) they will comply with the following laws, which are incorporated herein by reference: Executive Order 11246, Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws, 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a); and (2) this contractor and subcontractors shall abide by the requirements of 41 CFR 60-300.5(a) and 41 CFR 60-741.5(a). These regulations, respectively, prohibit discrimination against qualified protected veterans and qualified individuals on the basis of disability and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans and qualified individuals with disabilities, (6) Seller and each of its suppliers and subcontractors is and shall continue to be in compliance with the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, as amended ("Bioterrorism Act") and all regulations issued under it, and (7) Seller is and shall continue to be in full compliance with Buyer's Supplier Selection Guidelines and Buyer's Global Business Standards, as amended from time to time. Buyer has furnished to Seller copies of the Guidelines and the Standards, which are also available under the Business Partners section of Buyer's website at www.hanes.com under the heading "Our Company" then "vendors". Buyer will send Seller an additional copy of the Guidelines and the Standards if Seller requests by calling Buyer at (800) 519-1789. Upon Buyer's request, Seller shall give Buyer certificates of compliance with the foregoing requirements; (8) Seller acknowledges that it is subject to the provisions of the U.S. Foreign Corrupt Practices Act ("FCPA") and that Seller and any of its Affiliates may be subject to other laws such as the UK Bribery Act that, among other things, prohibit them from directly or indirectly making certain payments to government officials, political parties and candidates for office and requires the accurate reporting of financial transactions ("Anti-Bribery Laws"). Seller represents that it is familiar with the provisions of the FCPA and Anti-Bribery Laws that may apply to its activities pursuant to these Terms and Conditions and hereby represents and warrants that it has not in the past, does not currently and will not in the future take, arrange or permit any action that (a) constitutes a violation of the FCPA or any other applicable Anti-Bribery Laws or (b) that causes Buyer or any of its Affiliates to violate the FCPA or any other Anti-Bribery Laws. Seller agrees that it will confirm its compliance with the FCPA and any other applicable Anti-Bribery Laws at such intervals and in such forms as requested by Buyer. Seller also agrees that it will complete in a timely manner a due diligence questionnaire sent by Buyer from time to time relating to its compliance with the FCPA and any other applicable Anti-Bribery Laws. In addition, Seller shall be responsible for reasonable audit/ due diligence fees incurred by Buyer in connection with the FCPA and Anti-Bribery Laws up to a maximum amount of \$500.00 per year. Buyer may set off such audit/ due diligence fees against any amounts owed to Seller.

9. Representations, Warranties and Agreements About the Goods and Services.

Seller represents and warrants to Buyer, and agrees, that (a) it is the sole owner of any goods to be sold under this Contract and it has the unrestricted right to convey marketable title free and clear of all liens and encumbrances; (b) the goods and services and all materials that Seller furnishes in connection with the services shall be merchantable, of good material, workmanship and quality, fit for the purposes for which Buyer intends them and free from faults and defects; (c) the goods and services and all materials that Seller furnishes in connection with the services shall conform to any samples, designs, drawings, specifications, standards, performance criteria or other requirements (collectively called "Specifications") that are referred to in the order or that Buyer has provided to Seller or otherwise specified or agreed to in writing, or, to the extent that any required Specifications are not referred to in the order or provided by Buyer to Seller or otherwise specified or agreed to in writing, the Specifications provided by Seller to

Buyer; (d) the prices and terms of said goods comply with current existing provisions of the Robinson-Patman Act and all federal antitrust laws and rules, regulations or orders issued thereunder and, in addition, comply with all state or local antitrust laws of which they are or should be aware, as well as rules, regulations orders issued thereunder; (e) the goods, their manufacture, packaging, labeling, branding and sale and the services shall comply with all applicable federal, state and local laws, regulations, standards and orders, including, without limitation, the Fair Labor Standards Act of 1938, the Occupational Safety and Health Act of 1970, The Federal Trade Commission Act, the Federal Food, Drug, and Cosmetic Act, the Federal Insecticide, Fungicide, and Rodenticide Act, the Fair Packaging and Labeling Act and the Poison Prevention Packaging Act of 1970, the Flammable Fabrics Act, the Federal Hazardous Substances Act, The Federal Toxic Substances Control Act, the Textile Fiber Products Identification Act, The Wool Products Labeling Act of 1939, the Fur Products Labeling Act, the Consumer Product Safety Act, and the Bioterrorism Act, each as amended; (f) the prices of the goods or services and any discounts, advertising allowances or other merchandising payments or services that the Contract requires Seller to provide to Buyer are as favorable to Buyer as the lowest prices and the highest discounts, advertising allowances or other merchandising payments or services that Seller provides to other buyers of comparable goods or services; (g) Seller shall promptly furnish to Buyer all information and copies of documents (including, but not limited to, complaints, inquiries, test or inspection results and warnings) that Seller receives from an end-user of the goods, a government agency, an employee or agent of Seller or any other person or source and that suggests or indicates that the goods may not conform to the requirements of this Paragraph 9; (h) Seller and each of its suppliers and logistics providers has and follows, and will continue to have and follow, adequate quality and security procedures that will assure that the goods and services will comply with the foregoing warranties, representations and agreements and that are reasonably calculated to prevent acts of terrorism with respect to the goods and services; (i) The goods and services and all materials that Seller furnished in connection with the goods and services, and any use that Buyer, and Affiliate of Buyer, or any other their or its Affiliates, sub-contractors, customer, other end users may make of such goods, services and other materials, do not and will not infringe or misappropriate any trademark, service mark, trade dress, copyright, patent, trade secret, industrial right, design right, right of privacy, right of publicity, or any other intellectual property or other similar right of any person or entity; (j) Seller is an expert with respect to the goods and services and Buyer is relying upon Seller's skill and judgment to select and furnish suitable goods and services; (k) upon Buyer's request, Seller shall give Buyer certificates of compliance with applicable laws, regulations, standards, and orders. Buyer's approval of a sample, design, drawing, specification, standard, performance criteria, or other requirement shall not relieve Seller of any of its warranties under this Paragraph 9, including, without limitation, its warranties of merchantability, fitness and compliance with laws; and (l) in addition to the above; if the goods provided by Seller will be used in the manufacture of goods to be sold, Seller warrants and represents that:

- i. the goods furnished hereunder contain and/or are manufactured with no chemicals that would exceed human exposure thresholds requiring labeling under California Proposition 65;
- ii. the goods, their manufacture, packaging, labeling, branding, and sale shall comply with the Toxic Substances Control Act (TSCA) and the Federal Insecticide, Fungicide, and Rodenticide Act;
- iii. Chlorinated hydrocarbons listed as Class I or Class II stratospheric ozone depleters under US EPA 40CFR Part 82 cannot be used in the manufacture of packaging;
- iv. Seller shall also have copies available to Buyer at any time of the Chemical Material Safety (MSDS's) for all of the chemicals that are added to any of the goods;
- v. For actual chemical products used in the manufacture of textiles and consumer

products, the Seller shall join the American Apparel and Footwear Association (AAFA) chemical management program, the Voluntary Product Environmental Profile (VPEP) and make this data available to HBI Environmental Affairs when requested;

- vi. If under the terms of the Purchase Agreement you are a dyes and chemicals supplier or a supplier of product wherein chemicals have been applied or used, Seller warrants that it fully complies with the Restricted Substances List (RSL) as provided by the American Apparel and Footwear Association (AAFA). In the event the Seller has questions regarding the Restricted Substances List (RSL) or any other matters related to compliance with this provision, Seller shall direct such questions to Buyer as provided in the Notice provision;
 - vii. Any goods furnished herein contain no chemicals that are regulated under the States of Washington and Maine Children's Safe Products Act;
 - viii. If Seller is producing infant, toddler, girls or boys products (hereinafter "Childrenswear") for Buyer, then Seller shall follow the policies and procedures as outlined in the HBI Childrenswear Product Safety Manual;
 - ix. the goods furnished hereunder contain and/or are manufactured with no chemicals that would exceed the State of Maine TOXIC CHEMICALS IN CHILDREN'S PRODUCTS (38 §1691);
 - x. Products shall comply with the Canadian Environmental Protection Act and Canadian Hazardous Products Act; and
 - xi. Products shall comply with the European (EC 1907/2006) Registration, Evaluation, Authorization and Restriction of Chemical substances (REACH).
 - xii. Seller shall cooperate fully in completing due diligence questionnaires sent by Buyer regarding Seller's sourcing and use of conflict minerals originating from the Democratic Republic of Congo and its surrounding regions.
- II. If the goods provided by Seller are packaging for consumer products, Seller warrants and represents that:
- i. the goods furnished hereunder contain and/or are manufactured with no chemicals that would exceed human exposure thresholds requiring labeling under California Proposition 65;
 - ii. the goods, their manufacture, packaging, labeling, branding, and sale shall comply with the Toxic Substances Control Act (TSCA) and the Federal Insecticide, Fungicide, and Rodenticide Act;
 - iii. Chlorinated hydrocarbons listed as Class I or Class II stratospheric ozone depleters under US EPA 40CFR Part 82 cannot be used in the manufacture of packaging;
 - iv. for actual chemical products used in the manufacture of textiles and consumer products, the Seller shall join the American Apparel and Footwear Association (AAFA) chemical management program, the Voluntary Product Environmental Profile (VPEP) and make this data available to HBI Environmental Affairs when requested;
 - v. Packages and packaging materials including labels, hang tags, etc. must not contain constituents regulated by the New England Conference of Governors on packaging bans; and
 - vi. packaging must be fully compliant with the California Rigid Plastic Packaging legislation and documentation must be available to verify compliance for such packaging.
 - vii. Seller shall cooperate fully in completing due diligence questionnaires sent by Buyer regarding Seller's sourcing and use of conflict minerals originating from the Democratic Republic of Congo and its surrounding regions.

- III. If the goods provided by Seller will NOT be used in the manufacture of goods to be sold, Seller warrants and represents that:
- i. the goods furnished hereunder contain and/or are manufactured with no chemicals that would exceed human exposure thresholds requiring labeling under California Proposition 65;
 - ii. the goods, their manufacture, packaging, labeling, branding, and sale shall comply with the Toxic Substances Control Act (TSCA) and the Federal Insecticide, Fungicide, and Rodenticide Act;
 - iii. Chlorinated hydrocarbons listed as Class I or Class II stratospheric ozone depleters under US EPA 40CFR Part 82 cannot be used in the manufacture of packaging.

Furthermore, Seller's warranties extend to future performance of the goods and services and survive inspection, tests, acceptance and payment and shall be considered to have been given not only to Buyer but also to Buyer's customers and to end-users of the goods Seller's warranties apply to any replacement goods or services that Seller furnishes under Paragraph 13 of these Standard Terms of Purchase or otherwise.

10. Indemnity. Seller shall indemnify and hold harmless Buyer and each Affiliate of Buyer and Buyer's and each such Affiliate's directors, officers, employees, agents, shareholders, customers and other end-users of the goods (collectively, with Buyer, called "Indemnitees") and defend any Indemnitee, if Buyer requests, as to any claims, liabilities, losses, damages, awards, judgments, fines, penalties, costs and expenses (including, without limitation, attorneys' fees and other legal expenses) incurred by or brought, awarded, assessed, or levied against any Indemnitee as a direct or indirect consequence because of (1) any breach by Seller of any of its warranties to, or agreements with, Buyer, (2) any death, injury or damage to any person or property (including any Indemnitee's property and employees) alleged to have been caused by the goods or services including but not limited to claims of negligence, personal injury, product liability, or defective merchandise claims, or claims arising as a consequence of any voluntary or involuntary products recalls or by Seller's or any subcontractor's of Seller's manufacture of the goods or performance of the services, or (3) any contract or commitment entered into or made by Seller with or to any third party that provides goods, materials or services to Seller in connection with the Contract. The provisions of Paragraph 16 of these Standard Terms of Purchase requiring Seller to maintain insurance for property damage, personal injury, death and economic damage shall not be construed to affect or impair the generality of the foregoing. Each Indemnitee shall have the right to participate with Seller in the defense of any claim, which participation shall be at the Indemnitee's expense, except that if Seller shall have failed, upon the Indemnitee's request, to assume the defense or to employ counsel satisfactory to the Indemnitee, then Seller shall reimburse the Indemnitee, on a monthly basis, for all costs and expenses, including attorneys fees, that the Indemnitee incurs in connection with the defense. Seller shall not be required to indemnify Buyer against or hold Buyer harmless from Buyer's own sole negligence.

11. Changes. Buyer may at any time, by written notice to Seller, change the Contract as to: (1) designs or drawings of, or specifications, standards, performance criteria, or other requirements for, the goods or services; (2) time or place of delivery or performance; (3) method of packing or shipment; or (4) quantity of the goods or extent of the services. If this causes a change in Seller's cost or time of performance, then an equitable adjustment shall be made in the price or time for delivery or performance, or both, if, but only if mutually agreed

between Buyer and Seller.

12. Termination at Buyer's Option. Buyer may terminate the Contract, in whole or in part, at any time by written notice to Seller stating the extent and effective date of termination. When Seller receives notice of termination under the preceding sentence or under Paragraph 3 of these Standard Terms of Purchase, Seller shall, unless otherwise directed by Buyer, stop work and acquisition of materials under the Contract and protect property in Seller's possession in which Buyer has or may acquire an interest. Not later than 30 days after the effective date of termination, Seller may submit to Buyer its claim, if any, for reasonable compensation for termination. Buyer shall have the right to audit and inspect Seller's books, records and other documents that relate to the termination claim. If the parties cannot agree within a reasonable time upon the amount of compensation for the termination, then Buyer will pay to Seller, without duplication, (1) the Contract price for conforming goods or services that Seller shall have completed and delivered or performed (as applicable) in accordance with the provisions of the Contract and that Buyer shall not have paid for, and (2) the actual costs that Seller incurs and that are properly allocable or apportionable under recognized commercial accounting practices to the terminated portion of the Contract, but not to exceed the price for the terminated portion of the Contract, less (a) any payments that Buyer made and (b) the value to Seller of any raw materials, work-in-process, and finished goods that Seller retains and that are allocable to the terminated portion of the Contract under such practices, all as determined by Buyer in good faith after Seller shall have furnished to Buyer any documentation and other evidence of such costs and value that Buyer shall have requested. Buyer will pay these amounts within fifty-five (55) days after the later of (i) the date on which Buyer determines such amounts, and (ii) the date on which Seller delivers to Buyer any completed goods. If Buyer shall have made payments of the Contract price to Seller that in the aggregate exceed the total amounts payable by Buyer to Seller under the preceding provisions, then Seller shall promptly refund the excess to Buyer. Termination under this Paragraph 12 shall terminate only Seller's obligation and right to deliver goods or provide services under any provision of the Contract other than this Paragraph 12 and shall not terminate or impair Seller's other obligations, or any of Buyer's rights, under the Contract.

13. Buyer's Rights. Without limiting other rights and remedies available to it, Buyer may, at its option, (1) return nonconforming goods or services to Seller, at Seller's risk and expense, whether or not Buyer would then have the right under applicable law to reject or to revoke acceptance of those goods or services, and require Seller either to refund the price or promptly to repair or replace the goods, or re-perform the services, at Seller's risk and expense, (2) retain nonconforming goods or services and set off losses against any amount that Buyer or any Affiliate of Buyer owes Seller, or (3) repair or replace nonconforming goods or obtain conforming services from a third party, and charge Seller with the expense. If at any time Buyer believes in good faith that it has grounds for insecurity as to Seller's performance, then Seller shall provide adequate assurance of due performance within 7 days after Buyer demands the assurance, which shall be considered to be a reasonable time.

If at any time (a) Seller defaults in the performance of any of Seller's obligations to Buyer under the Contract or under any other agreement between Seller and Buyer, (b) Seller repudiates the Contract, (c) any warranty or representation that Seller shall have made to Buyer in or in connection with the Contract is false or misleading in any material respect, or (d) a Change of Control of Seller occurs, then Buyer may terminate the Contract, in whole or part, without liability to Seller, and Seller shall promptly pay to Buyer all damages that Buyer

incurred as a result of the termination and as a result of the event or circumstance on the basis of which Buyer terminated. "Change of Control" means either: (A) a sale or transfer of all or substantially all of Seller's assets; or (B) any other transaction, occurrence or circumstance that results in control of Seller being held by one or more individuals or entities other than the individual(s) or entity(ies) that have control of Seller on the date of the order.

If Buyer does terminate the Contract, then Seller (i) shall, unless Buyer directs otherwise, stop work and acquisition of materials under the Contract and protect property in Seller's possession in which Buyer has or may acquire an interest and (ii) if and to the extent that Buyer demands, shall immediately deliver to Buyer all finished and unfinished goods and all work-in-process and raw materials that Seller acquired for use in the manufacture or processing of the goods and all designs, drawings, specifications and software that Buyer is purchasing from Seller under the Contract, including all work-in-process, all source, object and pseudo codes, all preexisting programs intended to be incorporated in the software and all intellectual property rights in the foregoing. Buyer's payment of part or all of the price shall not be a precondition to Seller's obligation to make the delivery. After Seller has made the delivery and Buyer has determined its damages, then Buyer will pay to Seller any excess of (1) any unpaid part of the price properly allocable to any conforming goods, work-in-process and raw materials that Seller delivered to Buyer over (2) Buyer's damages. Termination under this Paragraph 13 shall terminate only Seller's obligation and right to deliver goods or provide services under any provision of the Contract other than this Paragraph 13 and shall not terminate or impair Seller's other obligations, or any of Buyer's rights, under the Contract. If a court determines that a termination of the Contract by Buyer under any provision of these Standard Terms of Purchase or of the Supplementary Terms and Conditions referred to in Paragraph 18 of these Standard Terms of Purchase was wrongful, then the termination shall be deemed to have been a termination at Buyer's option under Paragraph 12 of these Standard Terms of Purchase, as of the same date, and Seller's sole remedy shall be recovery of any payments that Seller is entitled to receive under Paragraph 12.

In addition to Buyer's rights described in these Standard Terms of Purchase, Buyer has all of the other rights and remedies that the law gives to buyers. Buyer shall not lose any right just because it does not exercise it. Buyer shall have the full statutory period of limitations to bring any action that arises out of the Contract. Buyer's damages for any breach by Seller (whether or not Buyer terminates the Contract by reason of the breach), include, without limitation, any cost of "cover" or of completing the manufacture or processing of the goods and incidental, consequential, special and exemplary damages, regardless of whether any of such damages would be available to Buyer in the absence of this sentence. A reasonable time for Buyer to notify Seller of any breach is not less than two years from when Buyer discovers the breach.

14. Buyer's Property. Any designs, drawings, specifications, methods of manufacture, intellectual property, documents and other information and any tooling, equipment or other property that Buyer furnishes to, or acquires from, Seller in connection with Seller's manufacture of the goods or performance of the services ("Buyer Property") are and shall at all times be Buyer's sole and exclusive property. Seller shall (1) maintain the Buyer Property in good condition, (2) conspicuously mark the Buyer Property as the property of Buyer, (3) not commingle the Buyer Property with property of Seller or third parties, (4) allow Buyer to inspect and examine the Buyer Property at any time, (5) maintain, at Seller's expense, fire and extended coverage insurance, payable to Buyer, covering the Buyer

Property in an amount that is not less than its replacement cost and provide Buyer with evidence of that insurance upon its request, and (6) return the Buyer Property to Buyer upon its request.

15. Government Contracts. If Buyer will use the goods or services in connection with a contract with the United States or other government, then all terms and conditions that the government contract or any law or regulation requires to be included in any contract formed pursuant to the order ("Government Terms") are incorporated in the order by reference. If any provision of the order is inconsistent with any Government Term, then the Government Term shall control.

16. Insurance. Seller shall maintain in effect, at Seller's expense, insurance coverage that will fully protect both Seller and Buyer from any and all claims and liabilities of any kind or nature for property damage, personal injury, death and economic damage, to any person, that arises from the goods or their use or the performance of the services or any activities connected with the services. Seller shall maintain in effect, at Seller's expense, employer's liability and worker's compensation insurance that will protect Buyer from any and all claims and liabilities that Seller or any employee or agent of Seller makes under any applicable worker's compensation or occupational disease acts. All insurance that this Paragraph 16 requires shall be of the types and in amounts, and shall contain endorsements, and shall be issued by financially sound insurers that are satisfactory to Buyer. Without limiting the generality of the foregoing, Seller shall comply with any specific insurance requirements that are attached to the order. Upon Buyer's request, Seller shall cause Buyer to be named as an additional insured under any or all of the policies evidencing the insurance and shall cause each insurer to agree not to cancel or materially modify the policies without giving Buyer at least 30 days prior written notice. Upon Buyer's request at any time, Seller shall furnish to Buyer certificates of insurance evidencing any required insurance.

17. Prepayment. If Buyer pays any part of the price of the goods before Seller delivers them to Buyer, then: (1) title (but not risk of loss) to each item of the goods shall pass to Buyer upon identification of the item to the Contract; (2) to the extent necessary to protect Buyer's title to the goods, Seller grants Buyer a security interest in the goods to secure Seller's obligation to deliver them to Buyer and all of Seller's other present and future obligations to Buyer; and, (3) Seller shall obtain from each person that holds a security interest in or lien upon the goods a written agreement releasing that security interest or lien or subordinating it to Buyer's interest in the goods.

18. Work on Premises. If Seller's performance of services or delivery or installation of goods involves operations by its employees or subcontractors on Buyer's premises or the premises of a customer of Buyer, then: (1) Seller shall at all times enforce strict discipline and maintain good order among all persons engaged in the activity on the premises and shall cause them to comply with all fire prevention, health, environmental and safety rules and regulations in force at the premises; (2) Seller shall comply with any special work conditions that are attached to the order; and, (3) Seller's performance of the services shall not interfere with Buyer's use of the premises or pose any danger to Buyer's employees or invitees. If Seller's performance of services or delivery of goods involves construction, installation or repair work by its employees or subcontractors on Buyer's premises, then Seller shall comply with Buyer's Supplementary Terms and Conditions for Construction, Installation and Repair Work, which are available under the Business Partners section of Buyer's website at www.hanesbrands.com under the heading "Suppliers", or Buyer will

send Seller a copy if Seller requests by calling Buyer at (800) 519-1789.

19. Services. With respect to any services: (1) Seller is an independent contractor, and neither Seller nor any of Seller's employees or agents shall be considered agents or employees of Buyer, and (2) Seller shall furnish or obtain, at Seller's expense, all labor, materials, equipment, transportation, facilities, permits, licenses, bonds and other items that are necessary to perform the services.

20. Confidentiality and Non-Use. Seller shall not sell or offer to sell or otherwise provide to anyone other than Buyer any goods made in accordance with any designs, drawings, specifications, standards, performance criteria or other requirements that Buyer furnishes to Seller or that incorporate, embody or are made in accordance with any of Buyer's intellectual property. Seller shall maintain the confidentiality of, and shall not disclose or use or permit to be disclosed or used or to be viewed by any third party (including any of Seller's suppliers), the goods, any designs or drawings of or specifications, standards, performance criteria or other requirements for the goods or services, any Buyer Property or any information concerning Buyer's business, operations or activities, including, without limitation, information concerning Buyer's present or proposed products, product developments, plans, strategies, finances, know-how, sales, customers, marketing or sales techniques, or the existence of the order or the Contract or that Seller will sell, or has sold, or has agreed to sell, goods or services to Buyer ("Confidential Information"). If Seller breaches or threatens to breach this Paragraph 20 or Paragraph 14 of these Standard Terms of Purchase, then Buyer's remedies at law will be inadequate. Therefore, Buyer shall have the right of specific performance or injunctive relief, or both, in addition to any and all other remedies and rights at law or in equity, and Buyer's rights and remedies shall be cumulative. If Buyer and Seller have signed a separate agreement that addresses some or all of the subject matter of this Paragraph 20, then both the other agreement and this Paragraph 20 shall be effective, but if there is a direct conflict between them, then the conflicting provision of the other agreement shall control.

21. Intellectual Property. All inventions (whether or not patentable), devices, technologies, ideas, improvements, processes, methods, systems, trademarks, trade names, trade dress, service marks, names, copyrights, software and other works and matters that Seller creates or develops in the course of Seller's performance of the services or Seller's design or development of the goods or other materials for Buyer, including all proprietary rights in the foregoing ("Intellectual Property") shall be Buyer's sole property, and Seller irrevocably assigns and transfers to Buyer, and further agrees to assign and transfer to Buyer all right, title and interest that Seller now has or in the future acquires in the Intellectual Property. To the extent permitted by the United States Copyright Act of 1976, as amended, and under equivalent laws of any other country, all copyrightable works that Seller creates or develops in the course of Seller's performance of the services or Seller's design or development of the goods or other materials for Buyer shall be considered "works made for hire" within the meaning of the federal , and Buyer shall be the "author" and owner of such copyrights. Seller shall sign and deliver to Buyer all assignments and other documents, and Seller shall take all other actions, that Buyer requests for the purpose of evidencing, securing, protecting or perfecting Buyer's ownership of and title to the Intellectual Property. If the goods or their design are subject to any pre-existing patent rights or other proprietary rights that Seller holds, then Seller grants to Buyer an irrevocable,

nonexclusive, royalty-free, fully paid-up license of the patent rights and other proprietary rights to enable Buyer to modify, repair or rebuild any or all of the goods. This license is in addition to all licenses impliedly granted to Buyer as a purchaser of the goods. Seller shall not use Buyer's or any of its Affiliates' name or any trademark, trade name, service mark or trade dress that Buyer or any of its Affiliates owns or that is licensed to Buyer or to any Affiliate of Buyer, without Buyer's express, written consent, and Seller shall not sell to anyone other than Buyer any goods bearing any such trademark, trade name, service mark or trade dress. If Buyer and Seller have signed a separate agreement that addresses some or all of the subject matter of this Paragraph 21, then both the other agreement and this Paragraph 21 shall be effective, but if there is a direct conflict between them, then the conflicting provision of the other agreement shall control.

22. Compliance with Laws and Equal Opportunity. Seller shall comply with all applicable Federal, state and local laws, rules and regulations relating to the goods and/or services to be furnished hereunder, including if applicable but not limited to, the Fair Labor Standards Act of 1938, and the Occupational Safety and Health Act of 1970, all as amended from time to time, and shall furnish certificates of compliance whenever requested by Buyer. Buyer serves from time to time as a contractor for the United States Government. Accordingly, Seller shall comply with all applicable Federal laws, rules and regulations applicable to subcontractor's of government contractors, including Section 202 of Executive Order 11246, as amended by Executive Order 11375, the Vietnam Era Veterans Readjustment Assistance Act of 1974, the Rehabilitation Act of 1973, as amended, and those governing contracts with business concerns operating in areas of surplus labor (48 C.F.R., Part 20), with women owned business concerns (Executive Order 12138) and with small and disadvantaged business concerns (15 U.S.C. 637), all as amended from time to time, and shall furnish certificates of compliance whenever requested by Buyer. Contract clauses required by the Government in such circumstances, and all rules and regulations promulgated under the specific acts cited, are incorporated into this Contract by reference.

23. Advertising; Nondisclosure of Contents of Agreement Seller shall not, without first obtaining the written consent to Buyer, in any manner advertise, publicize, publish or otherwise draw attention to the fact that Seller has furnished or contracted to furnish to Buyer the goods or services purchased hereby, or disclose any of the details connected with this Contract to any third party except as required for procurement of supplies and services for use in the performance of this Contract, and then only after the substance of this prohibition is inserted in its orders and made binding upon any third party. Additionally, Seller shall not in any webcast, teleconference, television or radio appearance or other public occasion or before any audience disclose or refer to Seller's relationship with Buyer. The terms of this section shall survive the termination of this Contract for any reason.

24. Labor Disputes. Whenever any actual or potential labor dispute delays or threatens to delay the timely performance of this Contract by Seller, Seller shall immediately give notice to Buyer.

25. Unsafe or Unfit Goods. If a governmental agency declares that any of the goods or any ingredient of, or any material included in, any of the goods or any packaging or supplies used in connection with the goods, or if Buyer at any time believes in good faith that any of the goods or any such ingredient, material, packaging or supplies, (i) is or may be adulterated or misbranded within the meaning of the Federal Food, Drug, and Cosmetic Act, as amended, or any other applicable federal, state, local or foreign law, rule or regulation, (ii)

fails or may fail to conform to an applicable standard or regulation issued under the Flammable Fabrics Act, as amended, (iii) is or may be a misbranded hazardous substance or a banned hazardous substance within the meaning of the Federal Hazardous Substances Act, as amended, (iv) does not or may not conform with an applicable consumer product safety standard, or has been declared a banned hazardous product, under the Consumer Product Safety Act, as amended, or (v) is or may be otherwise unsafe or unfit for the intended use of the goods, then, without limiting other rights and remedies that are available to Buyer under these Standard Terms of Purchase or applicable law, (1) Seller shall give Buyer written notice of any such declaration and shall furnish to Buyer copies of the declaration and of all relevant notices, documents and correspondence, (2) Seller shall stop including the ingredient or material in the goods, (3) Buyer may terminate the Contract, without liability to Seller, by giving written notice to Seller, which shall be effective immediately or on any later date that the notice specifies, (4) if Buyer does terminate, then (a) Buyer's obligations under the Contract shall terminate immediately and Buyer shall not be obligated to pay Seller damages or other compensation by reason of the termination and (b) Seller shall, unless Buyer directs otherwise, stop work and acquisition of materials under the Contract and protect property in Seller's possession in which Buyer has or may acquire an interest, (5) Buyer shall have the right (a) to recall (i.e. purchase or repurchase) any or all of the goods, and any products made with or produced by the goods, from its customers and end-users and any others having possession of the goods, and Seller shall reimburse Buyer for all costs that Buyer incurs in doing so and shall assist Buyer and any applicable governmental agency in the recall, to the extent that Buyer requires Seller to do so, and (b) to return to Seller, at Seller's expense, all such goods, packaging or supplies that Seller shall have previously delivered to Buyer and to require Seller to refund the price to Buyer, whether or not Buyer would then have the right under applicable law to reject or to revoke acceptance of those goods, packaging or supplies, (6) to the extent that Buyer requests, Seller shall assist Buyer in any or all aspects of a recall, including, without limitation, developing a recall strategy and preparing and furnishing reports, records and other information, (7) if Seller demonstrates to Buyer's satisfaction that there is a safe and fit substitute for any such ingredient, material, packaging or supplies and that the substitute conforms to all of the requirements of the Contract and that Seller can and will use the substitute in or with respect to the goods, then Buyer shall have the right, but no obligation, in Buyer's sole discretion, to reinstate the Contract and to require Seller to perform in accordance with the Contract, except that Seller shall use the substitute, and (8) whether or not Buyer terminates and/or reinstates the Contract, Seller shall pay to Buyer an amount equal to all damages that Buyer incurs by reason of the declaration by the governmental agency and/or such good faith belief by Buyer and any resulting recall or delay in performance or return of goods to Seller and/or any termination of the Contract by Buyer.

26. Software. If the goods include any embedded or non-embedded software, firmware or other computer code ("Computer Code"), then (1) upon Buyer's request, Seller shall either give Buyer the source code or deposit the source code with an escrow agent that is required to deliver it to Buyer upon default by Seller in the performance of any obligation of Seller under the Contract, (2) Seller shall provide Buyer with technical assistance in amending or modifying the Computer Code at Seller's then-current standard fees or if no standard fees exist, then at reasonable fees that Buyer and Seller agree upon, (3) Seller shall not de-install, disable, repossess or otherwise impair the operation of any Computer Code, unless that remedy is finally determined by a court of competent jurisdiction, and (4) Seller represents, warrants and agrees that the Computer Code will not include any computer virus, time bomb, disabling device, deactivating device or other harmful code. If the goods include any Computer Code that is not otherwise assigned to Buyer under these Standard Terms of Purchase, then

Seller grants to Buyer an irrevocable, non-exclusive, royalty-free, fully paid-up license to use, reproduce, modify and amend the Computer Code and to exploit the reproduced, modified or amended Computer Code at its sole discretion.

27. Books and Records; Audit Rights. Seller shall maintain complete and accurate records of all transactions and activities of Seller that relate to Seller's sales of goods and services under the Contract in accordance with the generally accepted accounting practices consistently applied. Seller and its agents, reserve the right upon reasonable prior notice, to enter Seller's premises during Seller's normal business hours to inspect and audit those records, and for compliance with regards to the chemical requirements as stated herein Section 9 to the extent that Buyer believes in good faith that an inspection and/or audit is necessary to determine whether Seller is complying or has complied with its obligations under the Contract.

28. Continuing Guaranties. Without limiting Paragraph 9 of these Standard Terms of Purchase, Seller irrevocably guarantees to Buyer as follows: (1) when Seller ships or delivers to Buyer any textile fabric product, the product will not be misbranded, falsely or deceptively invoiced, or falsely or deceptively advertised, and that such goods comply in all applicable respects with The Federal Trade Commission, the Textile Fiber Products Identification Act and the rules and regulations under that Act; (2) when Seller ships or delivers to Buyer any wool product, the product will not be misbranded within the meaning of The Wool Products Labeling Act of 1939 and the rules and regulations under that Act; (3) when Seller ships or delivers to Buyer any fur product, the product will not be misbranded, falsely or deceptively invoiced, or falsely or deceptively advertised, within the meaning of the Fur Products Labeling Act and the rules and regulations under that Act; (4) with regard to all the products, fabrics or related materials in the future sold or to be sold to Buyer by Seller and for which flammability standards have been issued, amended or continued in effect under the Flammable Fabrics Act, as amended, reasonable and representative tests as prescribed by the Consumer Product Safety Commission have been performed and show that the products, fabrics or related materials, at the time of their shipment or delivery by Seller, conform to all of the above- mentioned flammability standards that are applicable to Seller; (5) all color additives that Seller sells and delivers to Buyer shall be manufactured by Seller and (where color additive regulations require certification) will be from batches certified in accordance with the applicable regulations issued under the Federal Food, Drug, and Cosmetic Act; and, (6) each article included in each shipment or other delivery made by Seller to, or to the order of Buyer, as of the date of the shipment or delivery, will not be, on that date, adulterated or misbranded within the meaning of the Federal Food, Drug, and Cosmetic Act, and will not be an article that may not, under the provisions of sections 404, 505, or 512 of the Act, be introduced into interstate commerce.

29. Delegation. Seller shall not delegate, subcontract or assign any of its obligations under the order or the Contract without Buyer's written consent. Buyer's consent to Seller's delegation, subcontracting or assignment of any obligation of Seller under the Contract shall not relieve Seller of responsibility for performance of the obligation.

30. Setoff. Buyer may deduct, recoup and set off any amounts that Buyer at any time owes to Seller from and against any damages or other amounts that Seller or any Affiliate of Seller then owes to Buyer, whether under the Contract or otherwise and whether or not Seller shall have assigned to another ("Assignee") its rights to receive amounts that Buyer is required to pay under the Contract. All such rights of an Assignee shall be subject to all of the terms of the Contract and to all claims and defenses that Buyer at any time has against

Seller, whether arising under the Contract or otherwise.

31. Security Interests. Seller shall not have and waives, and shall not file or record any document claiming, any security interest in or lien (including any statutory or common law lien) upon any Buyer Property or the goods. Seller grants to Buyer a security interest in all amounts that each present or future Affiliate of Buyer now or in the future owes to Seller, to secure Seller's obligations to Buyer under the Contract.

32. Relationship of Parties. The relationship between Seller and Buyer is and will be that of seller and buyer and not a joint venture, partnership, principal-agent, broker, sales representative or franchise relationship. Seller shall at all times during the term of this Contract be deemed to be an independent contractor, solely responsible for the manner by and the form in which it fulfills the Contract. To the extent Seller's obligations under this Agreement require the performance of services by Seller on the premises of Buyer or any of Buyer's customers, Seller agrees that such services are to be rendered by Seller as an independent contractor and Seller shall comply with all of Buyer's or said customer's safety rules and regulations and shall provide all safeguards and take all necessary precautions to prevent the occurrence of any injury to any person or property during the performance of such services.

33. Waiver. Buyer shall continue to have all of its rights under the Contract even if it does not fully and promptly exercise them on all occasions. Buyer's failure to exercise, or Buyer's waiver of, a right or remedy on one occasion is not a waiver of that right or remedy with respect to any future occasion.

34. Severability. The provisions of the Contract are severable, and if any provision is unenforceable, then the remaining provisions shall continue in full force and effect.

35. Notices. Any notice or other communication that is required or permitted under the Contract shall be in writing and shall be personally delivered or sent by telecopier, by a nationally-recognized overnight delivery service or by certified mail, return receipt requested, addressed to Buyer or Seller, as applicable, at its address specified in the order or to another address that a party specifies to the other by written notice, except that a notice or other communication may be given orally, including by telephone, if it is confirmed by written notice given the same day.

36. Applicable Law. The order and the Contract shall be governed by, and interpreted according to, the law of the state in which Buyer's address specified in the order is located, excluding the United Nations Convention on Contracts for the International Sale of Goods. Any state or federal court in that state may handle any action based upon or arising out of the order or the Contract, and Seller irrevocably consents that the court shall have personal jurisdiction over Seller and waives any objection that the court is an inconvenient forum

37. Complete Agreement. Seller has not made any promises or representations to Buyer, and Buyer has not made any to Seller, that are not in the Contract. Any change in, or waiver of any provision of the order or the Contract must be contained in a writing signed by Buyer.