

Between

**Mr. Karl Joel** (hereinafter referred to as the “Seller”)

in Berlin

and

**Mr. Josef Neckermann** (hereinafter referred to as the “Buyer”)

in Würzburg, the following

### **Purchase Agreement**

is concluded:

The Seller sells the textile mail-order business operated by him in Berlin under the firm *Wäschemanufaktur Karl Joel*, together with the associated laundry and clothing factory in Nuremberg, in accordance with the following conditions:

The Buyer assumes from the Seller’s assets:

the merchandise inventory, the entire business equipment of the Berlin premises and of the Nuremberg laundry and clothing factory, with the exception of the two motor vehicles used personally by Mr. and Mrs. Joel.

The transferred equipment includes the Adrema system with 700,000 to 800,000 embossed Adrema plates.

All other business materials, such as cardboard boxes, twine, packing materials, writing materials, coal, etc., the receivables from customers arising from cash-on-delivery parcels still in transit on the day of takeover, any advances granted to

processing companies, as well as personnel advances and merchandise debts of employees in the normal scope.

From the Seller's liabilities the Buyer assumes, as of the effective date, the merchandise and business debts listed in an inventory to be prepared, as well as the bank debts in the amount of RM 200,750, which will be offset against the purchase price.

Private debts of any kind, in particular personal tax liabilities, shall not be assumed by the Buyer.

The purchase price is calculated as follows:

Outstanding receivables and advances under § 2 numbers 4 and 5 are to be reimbursed at their nominal value.

For the entire equipment (including the equipment of the laundry and clothing factory, "as is, where is"), a lump sum of RM 200,000 is agreed. The Seller guarantees that the tax office Charlottenburg West will release the equipment currently assigned to it as security.

The merchandise inventory, including all other business materials pursuant to § 2 numbers 1 and 3, shall be taken over at purchase prices.

For articles for which several prices exist, the cost price shall be the mixed price calculated by the Seller in accordance with the *Spinnstoffgesetz* (Fiber Materials Act).

The Buyer shall verify these prices as soon as possible, and in any case prior to takeover.

If he objects to any price and no agreement can be reached with the Seller, Mr. Christian Stöhr, chief editor of the *Textilzeitung*, or, if he is prevented, a person designated by him, shall determine the mixed price.

For individual, less marketable articles, a special discount shall be granted by agreement between the parties. If the Seller and Buyer cannot agree on the marketability or amount of the discount, then—at the Buyer's choice—either Dr. Groll (Kollnau), Director Wilkens (Augsburg), or Municipal Councillor Fritz Tillmann (Berlin) shall decide.

The Seller grants a discount of 5% on the prices determined according to the foregoing provisions of number 3. The inventory count of the merchandise shall take place immediately after receipt of the approval.

The effective date for the takeover of the business shall be the tenth day after the day on which approval is granted.

If approval is not granted by 31 August 1938, both parties shall have the right to withdraw from this contract.

#### **§ 6.**

The purchase price shall be paid concurrently with the takeover of the business.

#### **§ 7.**

The Buyer enters into all ongoing contracts relating to normal business operations, including supply and rental contracts.

A list of the relevant contracts shall be provided to the Buyer as soon as possible. The Buyer has the right to inspect these contracts.

The Buyer particularly undertakes to take over the Berlin and Nuremberg staff and to continue assigning work to the home-based production contractors (piecework manufacturers) as before.

The Seller, for his part, is obliged to release and, where necessary, compensate the Jewish staff members.

This obligation remains unaffected even if the Buyer, with the approval of the

competent authorities, continues to employ one or another of the Jewish staff members for a short transitional period; for any such transitional employment, the Buyer shall bear the remuneration.

**§ 8.**

Regarding all accounting items relating to the calendar or fiscal year or the month of takeover—such as trade taxes, sales taxes, contribution levies, association fees, employers' liability insurance contributions, insurance premiums, salaries, wages, etc.—it is agreed that these items will be apportioned according to the period of possession (effective date under § 5).

For expenses incurred by the Seller between the approval and the takeover date, the Buyer shall pay a lump sum of RM 12,500.

The parties undertake to release each other from any debt for which, under this arrangement, the other party is responsible.

**§ 9.**

The Seller shall hand over to the Buyer all books, files, and business documents relating to his enterprise and is prepared to assist the Buyer free of charge with advice for a transitional period.

The Seller retains the right to inspect the transferred books insofar as required by his interests.

**§ 10.**

The costs of the August advertising campaign shall be refunded by the Buyer if the takeover takes place on 1 August 1938.

If the takeover takes place later, the Seller shall bear the entire advertising costs if the approval is granted after the tenth of the month; the Buyer shall bear the entire advertising costs if the approval is granted by the tenth of the month.

**§ 11.**

The Seller grants the Buyer the right to continue using the firm name, with or without a successor designation.

**§ 12.**

The legal effectiveness of this contract is dependent on the approval of the competent authorities.

The Buyer shall endeavor to obtain such approval by no later than 15 August 1938.

**§ 13.**

The joint and several guarantee of Hardy & Co. GmbH, Berlin, for payment of the purchase price pursuant to § 6 must be provided by 1 August 1938, or a confirmation of the deposit and blocking of the amount must be submitted.

**§ 14.**

The document tax due on this agreement shall be borne equally by Seller and Buyer.

The Buyer shall bear the costs of entry in the commercial register; the Seller shall bear the sales tax arising from the sale.

Each party shall bear its own legal fees.

The brokerage fee shall be paid by each party in accordance with the agreement made with the intermediary bank.

All disputes arising from this contract, including those concerning its validity but excluding disputes concerning valuation matters (§ 4 no. 3) and monetary claims of any kind, shall be finally decided by an arbitration tribunal to the exclusion of the ordinary courts. A separate arbitration agreement shall be concluded for this purpose.

Berlin, 11 July 1938.

(signed) Karl Joel

(signed) J. Neckermann