

I. U.S. Tariffs

Exhibit XI is an explanation of the U.S. tariffs on residential furniture and parts. Also listed are the current rates of duty, as well as the rates in effect each year 1985-1989. Since the exhibit is self-explanatory, we will not elaborate further at this point.

However, if export problems are to be kept to a minimum, it is wise to retain the services of an experienced broker. In addition, all necessary forms and documents should be completed carefully and accurately with no brokerage fees or tariffs passed on to the customer.

One final point -- all furniture shipped to the U.S. must be identified with its country of origin.