

STANDARD TERMS AND CONDITIONS OF SALE

These Standard Terms and Conditions of Sale came into effect on 1st January 2024 and shall apply to the Commercial Terms (if applicable) and to all Orders for Products submitted by the Distributor to the Supplier. By placing an Order, the Distributor agrees to abide by these Terms.

1. INTERPRETATION

The following definitions and rules of interpretation apply in this Agreement.

1.1 Definitions.

Affiliate: means any subsidiary, any holding company and any other subsidiary of such holding company.

Agreement: means

1. each Order Form;
2. the Commercial Terms (if applicable); and
3. these Terms together with any appendices, guidelines and other documents contained in or incorporated by reference into these Terms.

Applicable Law: means any federal, state, provincial or local law, rule, regulation, codes, compact, or treaty adopted or enacted by the government(s) of the Territory, as amended from time to time.

Authorised Sales Channels: means the following distribution channels: (a) independent fine arts supply shops, (b) independent hobby shops selling fine arts supplies, (c) fine arts and hobby chains, (d) online stores with assortment focus of hobby, craft and fine arts, (e) stationery shops, and (f) distributors and wholesalers to the foregoing; provided, however, that any such distributor and wholesaler may not sell the Products other than to customers within categories (a) through (f). It is explicitly understood that this Agreement and "Authorised Sales Channels" do not include any direct-to-consumer sales, either through e-commerce channels or branded websites, or other distribution channels.

Commercial Terms: means the commercial terms signed between the Parties under these Terms (whether version 1 or a later version).

Confidential Information: means, without limitation, all information which is disclosed before or after the Start Date by the disclosing Party or any member of the group of companies to which the disclosing Party belongs to the receiving Party, however conveyed, whether or not marked or identified as confidential, which relates to the business, operations, processes, financial business plans and affairs, products, product developments, designs, intellectual property, trade secrets, formulations, methods of manufacturing, know-how, technical information, marketing plans, personnel, customers, clients, contracts, contractors and suppliers of the disclosing Party, and all information derived from the aforementioned.

Control: has the meaning given in section 1124 of the UK Corporation Tax Act 2010, and Controls, Controlled and the expression change of Control shall be construed accordingly.

Data Protection Legislation: means: (a) to the extent the UK GDPR (has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018) applies, the law of the UK or of a part of the UK which relates to the protection of personal data; and (b) to the extent the EU

General Data Protection Regulation ((EU) 2016/679) applies, the law of the EU or any member state of the EU to which the party is subject, which relates to the protection of personal data.

Distributor: means the buyer of the Products as defined in the Commercial Terms (if applicable) or the person or entity being a distributor, wholesaler or retailer buying the Products from the Supplier.

Minimum Sales Target: means in relation to each Year, the aggregate minimum sales value of Products to be ordered by the Distributor from the Supplier specified in the Commercial Terms (if applicable) or otherwise agreed in writing between the Parties.

Order Form: means the Supplier's International order form issued to the Distributor (which may contain the Price List) for the purchase of the Products and "Order" means an order placed using the Order Form.

Party: means the Supplier or Distributor (as applicable) and "Parties" means both the Supplier and the Distributor.

Products: means the products of the brand, type and specification manufactured and sold by the Supplier and described in the Commercial Terms (if applicable) or the Order Form, together with any other products developed from time to time by the Supplier.

Reserved Customers: means the customers specified in the Commercial Terms (if applicable) and any other customer groups in respect of which the Supplier informs the Distributor in writing that it has reserved to itself, including for the avoidance of doubt, any direct-to-consumer sales, either through e-commerce channels or branded websites, or other distribution channels.

Reserved Territories: means the countries or areas specified in the Commercial Terms (if applicable) and any other countries or areas in respect of which the Supplier informs the Distributor in writing that it has reserved to itself.

Start Date: means the date this Agreement commences as set out in the Commercial Terms (if applicable) or when the first Order is accepted by the Supplier under these Terms (as unilaterally amended by the Supplier from time to time).

Terms: means these Standard Terms and Conditions of Sale, as unilaterally amended by the Supplier from time to time (whether version 1 or a later version).

Territory: means the countries or areas specified in the Commercial Terms (if applicable) or the country/ countries in which the Supplier permits in writing the Distributor to sell the Products.

Trademarks: means the Supplier's trademark registrations and applications listed in the Commercial Terms (if applicable) or provided to the Distributor for the purposes of this Agreement, together with any further trademarks that the Supplier may, in writing, permit or procure permission for the Distributor to use in the Territory in respect of the Products.

VAT: means value added tax or any equivalent tax chargeable in the UK or elsewhere.

Year: means the period of 12 months from the Start Date and each consecutive period of 12 months thereafter for the duration of this Agreement.

1.2 Interpretation. A reference to legislation or a legislative provision is a reference to it as amended or re-enacted in the territory specified in these Terms or in England and Wales if no territory is stipulated. A reference to legislation or a legislative provision includes all subordinate legislation made under that legislation or legislative provision.

1.3 Applicability and Order of Precedence.

1.3.1 These Terms govern the execution of Orders in accordance with the Commercial Terms (if applicable) placed by the Distributor with the Supplier.

1.3.2 These Terms prevail over all other terms and conditions, including but not limited to (a) the Distributor's standard terms of sale or business, (b) any terms contained in a Distributor's own format purchase order or Distributor's electronic platform or (c) any other terms which the Distributor may seek to impose in relation to the Commercial Terms (if applicable) and/or an Order.

1.3.3 An Order and/or the Commercial Terms (if applicable) may specify special terms which apply to that Order.

1.3.4 In the event of any conflict or ambiguity between the terms of the documents which form this Agreement: (a) a term contained in an Order shall have priority over one contained in the Commercial Terms (if applicable) or these Terms; and (b) a term contained in the Commercial Terms shall have priority over one contained in these Terms.

1.3.5 In the event of any conflict between the English version and any translated version of this Agreement, the English version shall prevail.

1.3.6 For the avoidance of doubt, the United Nations Convention on Contracts for the International Sale of Goods shall not apply to these Terms. The International Chamber of Commerce's Incoterms rules shall apply to this Agreement, but where they conflict with these Terms, these Terms shall prevail.

2. APPOINTMENT

2.1 Appointment. The Supplier appoints the Distributor as its distributor to purchase, promote, advertise, distribute and sell the Products in the Territory subject to the terms of this Agreement, and the Distributor accepts the appointment on those terms.

2.2 Non-exclusive appointment. Unless otherwise agreed in writing between the Parties, the Supplier shall be free to:

(a) appoint any other agent, distributor or seller for the Products in the Territory; and

(b) supply any Products directly in the Territory whether for use or resale.

2.3 Prohibition on active sales. The Distributor shall not make any active sales of the Products to customers (a) outside the Territory, (b) outside the Authorised Sales Channels, (c) in the Reserved Territories and (d) to Reserved Customers. For these purposes, active sales shall be understood to mean actively approaching or soliciting customers, including but not limited to the following actions:

(i) visits;

(ii) direct mail, including the sending of unsolicited emails;

(iii) advertising in media, on the internet, on social media or other promotions, where such advertising or promotion is specifically targeted at customers in Reserved Territories and/or at Reserved Customers;

(iv) online advertisements addressed to customers in Reserved Territories and/or to Reserved Customers and other efforts to be found specifically by users in Reserved Territories and/or belonging to the Reserved Customers, including the use of territory-based banners on third party websites and paying a search engine or online advertisement provider to have advertisements or higher search rankings displayed specifically to users in Reserved Territories and/or belonging to the Reserved Customers; and

(v) advertising or promotion in any form, or translation of the Distributor's website into a language other than an official language of any country forming part of the Territory, that the Distributor would not reasonably carry out but for the likelihood that it will reach customers in Reserved Territories and/or Reserved Customers.

2.4 Restrictions on the Distributor. The Distributor shall not:

(a) sell, resell, distribute, retail, promote, market or advertise the Products whether directly or indirectly, actively or passively including to any third party (including, but not limited to, market place platforms) where the Products will be or may be sold outside of the Territory;

(b) represent itself as an agent of the Supplier for any purpose;

(c) pledge the Supplier's credit;

(d) give any condition or warranty on the Supplier's behalf;

(e) commit the Supplier to any contracts;

(f) otherwise incur any liability for or on behalf of the Supplier; or

(g) without the Supplier's written consent, make any representations, promises or guarantees about the Products beyond those contained in the promotional material supplied by the Supplier.

3. DISTRIBUTOR'S UNDERTAKINGS

3.1 Minimum Sales Target. If applicable, the Distributor shall place Orders consistent with achieving the Minimum Sales Target. The failure to achieve the Minimum Sales Target for any Year shall give the Supplier the right to terminate this Agreement in accordance with Clause 13.2(c) (*Early termination with immediate effect and no notice*).

3.2 Best efforts to sell the Products. The Distributor shall use its best efforts to promote and sell the Products in the Territory.

3.3 Sales reports and the provision of information. The Distributor shall submit written reports at regular intervals to the Supplier, showing details of stock levels and movements, sales, outstanding customer orders and orders placed by the Distributor with the Supplier that are still outstanding, and any other information relating to the performance of its obligations under this Agreement that the Supplier may reasonably require from time to time. The Distributor warrants that all reports and information shall be accurate, up to date, complete and will be provided in the format requested by the Supplier.

3.4 Maintenance of stock. The Distributor shall maintain, on its own account, sufficient inventory of the Products so that it can meet all its orders without delay.

3.5 Accounts and records. The Distributor shall keep for the duration of this Agreement and for 6 Years thereafter, full and accurate books of account and records clearly showing all enquiries, quotations, transactions and proceedings relating to the

Products and allow the Supplier, on reasonable notice during normal business hours, access to such accounts and records for inspection if requested.

3.6 Incoterms 2020. Unless otherwise agreed in writing with the Distributor, incoterm EXW (Ex Works) Le Mans France for European customers & FCA (Free Carrier)Le Mans France for out of Europe customers, shall govern the execution of Commercial Terms (if applicable) and all Orders.

3.7 Customs clearance. Under Incoterm FCA (Free Carrier) Le Mans France, the export customs document known as the 'Single Administrative Document' is issued by the Supplier. The Distributor shall provide the Supplier with the exit code in respect of the customs office from which the Products will exit the European Union. The Supplier shall then send the Single Administrative Document to the Distributor or its freight forwarder. It is therefore the responsibility of the Distributor or its freight forwarder to clear the Products at the exit code confirmed in the Single Administrative Document. No other Single Administrative Document shall be issued by the Distributor or its freight forwarder. If the Distributor or its freight forwarder issues its own Single Administrative Document (duplicate), this must be cancelled without delay and the Distributor or its freight forwarder shall provide the Supplier with evidence of the cancellation.

3.8 Storage. The Distributor shall at its own cost keep all stocks of the Products that it holds in conditions appropriate for their storage and provide appropriate security for the Products.

3.9 Change of Control. The Distributor shall inform the Supplier immediately of any changes in ownership or Control of the Distributor, and of any change in its organisation or method of doing business that might be expected to affect the performance of the Distributor's duties in this Agreement.

3.10 Payments to the Supplier on due date. The Distributor shall pay all sums due to the Supplier on the due date in full without any set-off, counterclaim, deduction or withholding, for all Orders delivered or (as applicable) collected.

3.11 Sales outside of the Territory. The Distributor shall in any resale or retail of the Products whether directly or indirectly, agree provisions equivalent to those contained in Clause 2.4(a) (*Restrictions on the Distributor*) to the Supplier's benefit.

4. SUPPLY OF PRODUCTS

4.1 No obligation to meet the Distributor's Orders. The Supplier shall use its reasonable endeavours to meet all Orders for the Products placed by the Distributor as soon as practicable or in accordance with an Order while stocks last, but the Supplier may, at its sole discretion, reject or stop the performance of any Order within the limits of available stocks or which it otherwise reasonably considers would be impracticable to meet.

4.2 Minimum order quantity and minimum order value. The Supplier reserves the right to reject an Order if: (a) the Order does not adhere to the required minimum order quantity, as unilaterally amended by the Supplier from time to time; or (b) the total value of an Order is less than EUR 1,525 net, as unilaterally amended by the Supplier from time to time.

4.3 Changes to the Products. The Supplier may at its sole discretion vary or stop the sale of any Product without notice. Notwithstanding the foregoing, the Supplier will endeavour to give reasonable notice to the Distributor where possible.

4.4 Changes to the specification of the Products. The Supplier may make changes to the specifications of the Products, provided the changes do not adversely affect the quality of the Products. Notwithstanding the foregoing, the Supplier will endeavour to give reasonable notice of any changes to the Distributor where

possible.

5. SUPPLIER'S OBLIGATION TO PROVIDE INFORMATION AND SUPPORT

The Supplier shall provide the Distributor with such information and support as the Supplier, in its sole discretion, considers appropriate to enable the Distributor to enable it to discharge its duties under this Agreement properly and efficiently.

6. PRICES, FEES AND PAYMENT

6.1 Prices. The prices to be paid by the Distributor to the Supplier for the Products shall be the Supplier's Price List as notified to the Distributor from time to time or contained in the Order Form.

6.2 Price increases. The Supplier endeavours to provide the Distributor 60 days' prior written notice of any increase in the price of the Products. However, the Supplier reserves the right at any time to immediately increase the price of the Products in the event of justifying factors, including but not limited to significant changes in raw material prices.

6.3 Prices exclusive of VAT and other taxes. All sums payable by one Party to the other under this Agreement, are exclusive of any VAT or other taxes chargeable on the supplies for which such sums (or any part of them) are the whole or part of the consideration for VAT purposes.

6.4 Distributor's costs. All expenses, costs and charges incurred by the Distributor in the performance of its obligations under this Agreement shall be paid by the Distributor, unless the Supplier has expressly agreed in advance in writing to pay such expenses, costs and charges.

6.5 Payment terms. The Distributor shall pay the full amount invoiced to it by the Supplier in the currency stipulated in the Order Form or Commercial Terms (if applicable) within 30 days of the date of the invoice, unless otherwise agreed in the Commercial Terms (if applicable) or otherwise agreed in writing between the Parties. The Supplier reserves the right, at any time at its sole discretion, to demand payment (whether in full or part) in advance, particularly in respect of a new Distributor, before making any deliveries or to reduce the number of days within which payment is required from the date of the invoice.

6.6 Interest on late payment; disputed invoices. The Distributor shall pay the Supplier interest at the daily rate of 12% per annum in excess of the European Central Bank's base rate or, if lower, the maximum rate permitted by Applicable Law, on the unpaid amount of each invoice overdue (including VAT) until actual receipt of the overdue amount by the Supplier. In addition, in accordance with Article L441 of the French Commercial Code: (a) any late payment automatically generates a lump sum indemnity for recovery costs of a minimum of EUR 40 per invoice; and (b) if the recovery costs incurred are higher they will be charged based on relevant receipts. No acceptance of a partial invoice payment by the Supplier shall constitute a waiver of the Supplier's right to the remainder of the invoice amount. The Supplier may suspend any further deliveries of the Products until the overdue amounts are paid. If the Distributor disputes any portion of any invoice, (i) the Distributor shall notify the Supplier of the portion disputed and the reason for such dispute within 5 days of the invoice date, (ii) Distributor shall pay the undisputed portion in accordance with the terms of this Agreement and (iii) the Parties shall in good faith seek to resolve such dispute within 15 days of the dispute being raised; and (iv) no interest shall accrue or be chargeable on any amounts in dispute.

6.7 Set-off. The Distributor shall pay all amounts due under this Agreement in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as

required by Applicable Law). The Supplier may set off any amounts overdue against any liability of the Supplier to the Distributor.

6.8 Fees for documents and logistic services. The Distributor shall incur the following fees for documents and logistic services, as unilaterally amended by the Supplier from time to time:

- (a) Certificate of Origin: EUR 22 per certificate;
- (b) Legalisation of documents: EUR 20 per document;
- (c) Document shipment with tracking: EUR 35 per shipment;
- (d) Fumigated pallets: EUR 9 per pallet;
- (e) Additional storage whereby Products are not collected within 14 days of the Supplier sending the Distributor the packing details to organise collection: EUR 5 per pallet per day;
- (f) Customer required over-labelling: EUR 0.35 per Product; and
- (g) Chamber of Commerce administration fee: EUR 20 per file.

7. ADVERTISING, PROMOTION AND SALES BY DISTRIBUTOR

7.1 Distributor's obligations. The Distributor shall:

- (a) solely be responsible for setting and advertising its selling prices in accordance with Applicable Law;
- (b) not use any advertising and merchandising materials or promotional literature to promote the Products without the Supplier's prior written approval;
- (c) display advertising and merchandising materials and other signs provided by the Supplier;
- (d) ensure any advertising and merchandising materials it produces itself shall comply with all Applicable Law, are fit for the purpose intended and are not defective;
- (e) observe all directions and instructions given to it by the Supplier for promotion and advertisement of the Products; and
- (f) not make any written statement as to the quality or manufacture of the Products without the Supplier's prior written approval.

7.2 Supplier's obligations. The Supplier shall:

- (a) approve or reject, in its sole discretion, any promotional information or material or any advertising and promotional programme submitted by the Distributor within 30 days of receipt; and
- (b) provide the Distributor with information on the advertising and promotion used by the Supplier and, at the cost of the Distributor, supply such quantities of promotional and advertising material as the Distributor may reasonably request from time to time.

8. TRANSFER OF RISKS, OWNERSHIP, INSURANCE AND RETURNS

8.1 Transfer of risk. The transfer of risk in the Products shall take place in accordance with the incoterm specified in the Order Form or the Commercial Terms (if applicable) and confirmed in the invoice. If no incoterm is specified in the Order Form or the Commercial Terms (if applicable) and confirmed in the invoice, the risk shall transfer from the Supplier to the Distributor in accordance with the incoterm specified in Clause 3.6 (*Incoterms*

2020) and therefore on delivery or (as applicable) collection of the Products at the delivery or (as applicable) collection address stipulated in the Order Form or Commercial Terms (if applicable) and which may be confirmed in the invoice. Save as expressly provided in this Agreement, the Supplier shall have no further responsibility for the Products following delivery or (as applicable) collection of the Products by the Distributor, and all risk of damage to or loss or delay of the Products shall pass to the Distributor upon such delivery or (as applicable) collection by: (i) the Distributor's carrier/ freight forwarder; or (ii) an other agent, entity or person acting on behalf of the Distributor at the delivery or (as applicable) collection address.

8.2 Deemed delivery if no issue raised within 10 days. Deliveries of Products which are not compliant with the Order Form (e.g., lower number of Products delivered) must be reported to the Supplier within 10 days of delivery or (as applicable) collection, otherwise the delivery is deemed to have been made without any issue.

8.3 Damage of Products in transit. Subject to Clause 8.1 (*Transfer of Risk*), if any Products are damaged in transit and the Parties dispute whether the damage occurred before or after the Supplier's delivery to the delivery or (as applicable) collection address, the Distributor shall have the burden of proving that the damage occurred prior to the Supplier's delivery of the Products.

8.4 Return of Products. Products may only be returned to the Supplier with the Supplier's prior written approval. The Distributor shall bear the full cost of any returns, including any returns from its own customers, subject to the de minimis set out at Clause 12.2(d) (*Limitations of Liability*), unless otherwise agreed in writing between the Parties. The Supplier shall, at its sole discretion, determine whether to issue a credit note or other refund method in respect of the returned Products.

8.5 Transfer of title/ ownership. The transfer of title/ ownership in the Products from the Supplier to the Distributor shall take place when the Supplier has received payment for the Products in full without any set-off or deduction. The Supplier and its Affiliates shall retain title to and ownership of any advertising or merchandising materials supplied to the Distributor or its retailers.

8.6 Distributor's Insurance coverage for damage of Products after delivery. The Distributor shall at its own cost insure each Order with a reputable insurer for the full invoice amount of such Order. Such insurance shall provide for full coverage against all risks from the time the Products are delivered until the Distributor has paid the Supplier for such Products in full and without any set-off or deduction. The Distributor shall produce to the Supplier on demand full particulars of such insurance and the receipt for the then current premium. Such insurance shall be the Distributor's sole recourse if a delivery of the Products is damaged after delivery at the delivery or (as applicable) collection address. The Supplier reserves all rights with respect to the Products delivered as permitted by Applicable Law including, without limitation, the rights of rescission, repossession, resale and stoppage in transit until the full amount due from the Distributor in respect of all Products delivered has been paid in full and without any set-off or deduction.

8.7 Distributor's public, product and employers' liability insurance coverage. The Distributor shall at its own cost for the duration of this Agreement and for a period of 2 years thereafter, maintain public liability, product liability and employers' liability insurance coverage, with a reputable insurer in minimum amounts of one million Euros (EUR 1,000,000) per occurrence, and two million Euros (EUR 2,000,000) in the aggregate. All such policies shall provide that they may not be cancelled or modified without 30 days prior written notice to the Supplier. The Distributor shall provide a copy of the certificate of insurance, insurance policies and proof of payment of the current premium to the Supplier

within 5 days of a request. If the Distributor party fails to effect a renewal, the Supplier shall be entitled to effect the insurance at the cost of the Distributor. The liabilities of the Distributor shall not be deemed to be released or limited by the respective insurance policies in place.

8.8 Distributor's retailers' public, product and employers' liability insurance coverage. The Distributor shall procure that for the duration of this Agreement and for a period of 2 years thereafter, its retailers maintain public liability, product liability and employers' liability insurance coverage, with a reputable insurer in minimum amounts of one million Euros (EUR 1,000,000) per occurrence, and two million Euros (EUR 2,000,000) in the aggregate. The Distributor shall keep a copy of its retailers' certificate of insurance, insurance policies and proof of payment of the current premium and provide to the Supplier within 5 days of a request. If the Distributor's retailer fails to effect a renewal, the Distributor shall terminate its relationship with the non-compliant retailer or otherwise have adequate contractual provisions in place to entitle it to effect the insurance at the cost of the Distributor's non-compliant retailer. The liabilities of the Distributor shall not be deemed to be released or limited by the respective insurance policies in place.

9. INTELLECTUAL PROPERTY

9.1 Grant of right to use the Trademarks. The Supplier and its Affiliates grant to the Distributor a revocable, non-exclusive right, in the Territory, to use the Trademarks in the promotion, advertisement and sale of the Products, subject to, and for the duration of, this Agreement only. The Distributor acknowledges and agrees that all rights in the Trademarks shall remain in the Supplier and its Affiliates, and that the Distributor has and will acquire no right in them by virtue of the discharge of its obligations under this Agreement, except for the right to use the Trademarks as expressly provided in this Agreement.

9.2 Use of the Trademarks. The Distributor:

(a) shall promote, advertise and sell the Products only under the Trademarks, and not in association with any other trademark, brand or trade name, except as expressly permitted under this Agreement;

(b) shall not use the Trademarks as part of the name under which the Distributor conducts its business, or any connected business, or under which it sells or services any products (except the Products), or in any other way, except as expressly permitted under this Agreement;

(c) shall not sub-license, assign, transfer, charge, or otherwise encumber the right to use, reference, or designate the Trademarks to any other party, except as otherwise expressly permitted under this Agreement;

(d) shall not adopt, use (except as permitted by this Agreement) or attempt to register any mark which is a colorable imitation of or confusingly similar to any of the Trademarks and further agrees not to challenge or contest the validity of the Trademarks or any registrations thereof, or Supplier's title to the Trademarks;

(e) shall not, without the prior written approval of the Supplier, alter or make any addition to the labelling or packaging of the Products displaying the Trademarks;

(f) shall not, without the prior written approval of the Supplier, make any addition or modifications to the Products or to any advertising and promotional materials supplied by the Supplier; or

(g) shall not, without the prior written approval of the Supplier, alter, deface or remove any reference to the Trademarks, any reference to the Supplier or any other name attached or affixed to

the Products or their packaging or labelling.

9.3 Assistance in respect of Trademarks. The Distributor shall promptly give notice to the Supplier in writing if it becomes aware of:

(a) any infringement or suspected infringement of the Trademarks or any other intellectual property rights relating to the Products within the Territory; or

(b) any claim that any Product or the manufacture, use, sale or other disposal of any Product within the Territory, whether or not under the Trademarks, infringes the rights of any third party.

9.4 Conduct of claims.

(a) In respect of any matter that falls within Clause 9.3 (*Assistance in respect of Trademarks*):

(i) the Supplier and its Affiliates shall in its absolute discretion, decide what action to take in respect of the matter (if any);

(ii) the Supplier and its Affiliates shall conduct and have sole control over any consequent action that it deems necessary and the Distributor shall on being so requested by the Supplier and at the Supplier's cost assist in taking all steps to defend the rights of the Supplier including the institution at the Supplier's cost of any actions which it may deem necessary to commence for the protection of any of its rights; and

(iii) the Supplier and its Affiliates shall pay all costs in relation to that action and shall be entitled to all damages and other sums that may be paid or awarded as a result of that action.

(b) Notwithstanding any other clause of this Agreement, if a claim or action arises from any acts or omissions by the Distributor in its performance of this Agreement, the costs of such claims and actions shall be borne by the Distributor.

9.5 Goodwill. The Distributor recognises the great value of the reputation and goodwill associated with the Supplier's Trademarks and acknowledges that such reputation and goodwill exclusively belong to and inure to the benefit of the Supplier and its Affiliates, and that the Trademarks are distinctive and are associated with the Supplier's goods and goodwill in the minds of the consuming public. The Distributor further acknowledges that all of its use of the Trademarks pursuant to this Agreement inures to the benefit of the Supplier and its Affiliates.

9.6 Domain names and social media. If, with the prior written approval of the Supplier, the Distributor registers any domain name or social media channels in the Territory that includes a Trademark, the Distributor shall without delay assign such registration to the Supplier or its designee at the Supplier's request and cost. The Supplier or its Affiliates may at any time and at its sole discretion require the Distributor to discontinue such domain name(s) or social media channels (or remove reference to the Supplier and the Trademarks from such social media channels) if this Agreement is terminated.

9.7 Effect of termination. On termination of this Agreement for any reason, the Distributor shall immediately stop using all or any part of the Trademarks, domain names and social media channels.

10. PRODUCT LIABILITY AND PRODUCT RECALLS

10.1 Supplier's insurance cover. For the duration of this Agreement, the Supplier shall maintain adequate public and product liability insurance with a reputable insurer.

10.2 Product warranties. SUPPLIER AND ITS AFFILIATES

EXPRESSLY EXCLUDE AND DISCLAIM ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS, WHICH ARE NOT EXPRESSLY SET OUT IN THIS AGREEMENT TO THE EXTENT PERMITTED BY APPLICABLE LAW.

10.3 Distributor's assistance with Product recalls. The Distributor shall, at the Supplier's cost, provide any assistance that the Supplier reasonably requires to recall, as a matter of urgency, Products from the retail or wholesale market. The Distributor undertakes to maintain appropriate, up-to-date and accurate records to enable the immediate recall of any Products or batches of Products from the retail or wholesale markets. These records shall include records of deliveries to customers, including batch numbers, delivery date, name and address of customer, telephone number and email address. In the event of a recall, the Distributor shall not make any statement to the press or public concerning the recall without the prior written approval of the Supplier.

10.4 Distributor's liability for Product recalls. Notwithstanding any other clause of this Agreement, if a product recall arises from any acts or omissions by the Distributor in its performance of this Agreement, the Distributor shall indemnify the Supplier and its Affiliates for the cost of goods sold and out-of-pocket expenses incurred by the Parties in connection with the recall.

11. COMPLIANCE

11.1 Compliance with Applicable Law. The Distributor shall at its own expense comply with all Applicable Law relating to its activities under this Agreement, together with any conditions binding on it in any applicable licences, registrations, permits and approvals.

11.2 Compliance with Supplier's Business Partner Code of Conduct. The Distributor shall comply with the Supplier's Business Partner Code of Conduct (as unilaterally amended by the Supplier from time to time) and which is available on request.

11.3 Compliance with the Supplier's Sustainability Packaging Guidelines. The Distributor shall comply with the Supplier's Sustainability Packaging Guidelines (as unilaterally amended by the Supplier from time to time) and which is available on request.

12. LIMITATION OF LIABILITY

12.1 Unlimited liability. Nothing in this Agreement shall limit or exclude the liability of the Supplier or the Distributor for:

- (a) Death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable);
- (b) Fraud or fraudulent misrepresentation or wilful breach of contract or wilful misconduct; or
- (c) Any matter in respect of which it would be unlawful to exclude or restrict liability.

12.2 Limitations of liability. Subject to Clause 12.1 (*Unlimited liability*):

(a) Neither the Supplier, its Affiliates nor the Distributor shall under any circumstances whatsoever be liable to the other, whether in contract, tort (including negligence), misrepresentation, restitution or otherwise, for:

(i) Any loss of profit, revenue, business opportunity or anticipated savings;

(ii) Any loss that is an indirect or secondary consequence of any act or omission of the Party in question; or

(iii) Any punitive or exemplary damages.

(b) Notwithstanding any other clause of this Agreement, the total liability of the Supplier, its Affiliates and the Distributor in respect of all other loss or damage arising under or in connection with this Agreement, whether in contract, tort (including negligence), misrepresentation, restitution or otherwise, shall in no circumstances exceed the previous completed Year's sales value or EUR 1,000,000, whichever is lower. During the first 12 month period from the Start Date, liability under this clause shall be calculated with reference to the Minimum Sales Target set out in the Commercial Terms (if applicable) or anticipated sales value during that period as set out in the Order or otherwise agreed in writing between the Parties.

(c) The liability of the Supplier and its Affiliates in respect of any Product warranties are excluded to the extent of any act or omission on the part of the Distributor including but not limited to the use or storage of the Products in abnormal conditions.

(d) Notwithstanding any other clause of this Agreement, any claims in respect of any Products must be notified to the Supplier within 60 days from the date of the Order Form or within 60 days of knowledge of the event giving rise to a claim, whichever is earlier, subject to a de minimis of EUR 5,000 in respect of each claim.

13. DURATION AND TERMINATION

13.1 Initial Term and termination with notice.

(a) If Commercial Terms have been signed between the Parties, this Agreement will come into effect on the Start Date and, unless terminated earlier in accordance with Clause 13.2 (*Early termination with immediate effect and no notice*), it shall continue for the Initial Term specified in the Commercial Terms after which it shall automatically terminate without notice, unless otherwise agreed in writing between the Parties.

(b) If Commercial Terms have not been signed between the Parties, this Agreement will come into effect on the Start Date and, unless terminated earlier in accordance with Clause 13.2 (*Early termination with immediate effect and no notice*), it shall continue for 5 years or until one Party gives the other not less than 6 months' prior written notice to terminate, whichever is earlier.

13.2 Early termination with immediate effect and no notice. Without affecting any other right or remedy available to it, the Supplier may terminate this Agreement with immediate effect (i.e. earlier than the Initial Term or without having to serve 6 months prior written notice) by notifying the Distributor in writing if:

(a) The Distributor commits a material breach of any term of this Agreement which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 60 days after being notified in writing to do so;

(b) The Distributor fails to pay any amount due under this Agreement on the due date for payment and remains in default not less than 30 days after being notified in writing to make such payment;

(c) The Distributor fails to achieve the Minimum Sales Target by 10% or more in any Year (if applicable);

(d) The Distributor repeatedly breaches any of the terms of this Agreement in such a manner as to reasonably justify the opinion that the Distributor's conduct is inconsistent with the Distributor

having the intention or ability to give effect to the terms of this Agreement;

(e) The Distributor's financial position deteriorates so far as to reasonably justify the opinion that its ability to give effect to the terms of this Agreement is in jeopardy, including but not limited to a petition for bankruptcy, any form of insolvency or liquidation proceedings, any arrangement for the benefit of its creditors or if a receiver is appointed;

(f) There is a change of Control of the Distributor;

(g) The Supplier or its Affiliates cease to produce or distribute generally the Products; or

(h) The Distributor fails to discharge its compliance obligations under Clause 11.2 (*Compliance with Supplier's Business Partner Code of Conduct*).

13.3 Early termination with notice for force majeure. Neither Party shall be in breach of this Agreement nor liable for any direct or indirect loss, damage or delay in performing, or failure to perform, any of its obligations under this Agreement if such loss, damage, delay or failure results from events, circumstances or causes beyond its reasonable control, including but not limited to, any act of God, strike, lockout, labour dispute, riot, civil unrest, insurrection, war or other military action, fire, storm, flood, tempest, accident, mechanical failure, epidemic, pandemic, transport issues, statutory intervention and government regulation. If the period of delay or non-performance continues for 60 days, the Party not affected may terminate this Agreement by giving 30 days' written notice to the affected Party. This clause does not, however, excuse either Party from its obligation to make any payments due under this Agreement or in any way grant an extension of time to make such payments.

14. CONSEQUENCES OF TERMINATION

14.1 Accrued rights and duties. Termination of this Agreement shall not affect any rights, remedies, obligations or liabilities of the Parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination.

14.2 Consequences of termination. On termination of this Agreement:

(a) The Distributor shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest;

(b) Subject to Clause 14.2(e), all other rights and licences of the Distributor under this Agreement shall terminate;

(c) Notwithstanding any other clause of this Agreement, the Supplier and its Affiliates may cancel any Orders for Products placed by the Distributor before termination of this Agreement if delivery would fall due after termination, whether or not they have been accepted by the Supplier. The Supplier shall have no liability to the Distributor in respect of such cancelled Order(s);

(d) The Supplier and its Affiliates shall have the option, at its sole discretion, to buy from the Distributor any stocks of the Products in sellable condition at the same price the Distributor paid for them. To exercise this option, the Supplier and its Affiliates shall give notice to the Distributor within 60 days of the notice of termination having been served, stating the quantities of Products it wishes to buy. The Distributor shall deliver such Products to the Supplier and its Affiliates within 60 days after the termination date of the Agreement, and the Supplier shall pay for the Products in full within 60 days of their delivery. The Distributor shall be responsible for the costs of packaging, insurance and carriage of the Products, unless otherwise agreed in writing between the

Parties;

(e) If the Supplier and its Affiliates choose not to exercise its option to buy back stocks of the Products under Clause 14.2(d) or if the Supplier and its Affiliates purchase only part of the Distributor's stocks of Products, the Distributor shall, at the Supplier's sole discretion, either dispose or sell its remaining stocks of Products to the Supplier's or its Affiliates' new distributor;

(f) If the Supplier and its Affiliates choose to buy back the stocks of Products under Clause 14.2(d), or when the Distributor has disposed of its remaining stocks of Products under Clause 14.2(e), the Distributor shall at the Supplier's or its Affiliates' option promptly destroy or return all samples, technical pamphlets, catalogues, advertising materials, specifications and other materials, documents or papers that relate to the Supplier's and its Affiliates business that the Distributor may have in its possession or under its control;

(g) The Distributor shall provide a complete and accurate list of its customers to the Supplier and its Affiliates within 10 days to ensure it is able to provide warranty support services to end-consumers which may be required under Applicable Law; and

(h) The Distributor shall at its own cost return and procure that its retailers return, all merchandising and advertising materials provided by the Supplier and its Affiliates within 10 days.

15. INDEMNITY

The Distributor shall protect, defend, indemnify and hold harmless the Supplier and its Affiliates, its officers, employees, and agents from any and all third party claims (including but not limited to consumer claims and claims related to merchandising materials produced by the Distributor itself and carrying the Products and/or Trademarks), liabilities, losses, damages, suits, actions, fines, decrees and judgments, including reasonable attorneys' fees and court costs which the Supplier and its Affiliates may suffer as a result of this Agreement or with respect to any negligent or willful act or omission or breach of this Agreement, except to the extent of the negligence or willful act or omission of the Supplier or breach of this Agreement by the Supplier. With respect to any liability for which the Supplier and its Affiliates seek an indemnity, the Supplier and its Affiliates shall provide the Distributor with prompt written notice thereof. Failure to provide prompt notice shall not relieve the Distributor of its obligations except to the extent it has been materially prejudiced by such failure. The Parties shall fully cooperate with each other and provide such reasonable assistance to permit full and complete defence or settlement of any liability for which the Distributor provides indemnity.

16. GENERAL

16.1 Assignment and other dealings. The Distributor shall not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under this Agreement. The Supplier and its Affiliates may at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under this Agreement.

16.2 Confidentiality.

(a) Each Party undertakes that it shall not at any time including after termination of this Agreement, disclose to any person any Confidential Information, save as permitted under Clause 16.2(b).

(b) Each Party may disclose the other Party's Confidential Information:

(i) to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the Party's rights or carrying out its obligations under or in connection with this Agreement. Each Party shall ensure that its employees, officers, representatives, contractors, subcontractors or advisers to whom it discloses the other Party's Confidential Information comply with this Clause 16.2; and

(ii) as may be required by Applicable Law, a court of competent jurisdiction or any governmental or regulatory authority.

(c) No Party shall use any other Party's Confidential Information for any purpose other than to exercise its rights and perform its obligations under or in connection with this Agreement.

16.3 Data Protection. Each Party acknowledges that it may regularly disclose to the other and its Affiliates personal data in connection with this Agreement. Each Party and its Affiliates shall comply with all the obligations imposed on a controller under the Data Protection Legislation, including but not limited to ensuring that it has all necessary notices and consents and lawful bases in place to enable lawful transfer of the personal data, as well as appropriate technical and organisational measures to protect against accidental loss or unauthorised processing of the personal data.

16.4 Entire agreement. This Agreement constitutes the entire agreement between the Parties and supersedes and extinguishes all previous terms and conditions of sale, agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

16.5 Variation. Except only as provided for in these Terms, no variation of this Agreement shall be effective unless it is in writing and signed by the Parties (or their authorised representatives).

16.6 Waiver. No failure or delay by a Party to exercise any right or remedy provided under this Agreement or by Applicable Law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

16.7 Severance. If any clause or part-clause of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Agreement. The Parties shall negotiate in good faith to agree a replacement to the deleted clause or part-clause that, to the greatest extent possible, achieves the intended commercial result of the original clause.

16.8 Notices.

(a) Any notice given to a Party under or in connection with this Agreement shall be in writing and shall be:

(i) delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case); or

(ii) sent by email to the address specified in the Commercial Terms (if applicable) with a copy to legal@colart.com.

(b) Any notice shall be deemed to have been received:

(i) if delivered by hand, on signature of a delivery receipt or at the time the notice is left at the proper address;

(ii) if sent by pre-paid first-class post or other next working day

delivery service, at 9.00 am on the second working day after posting or at the time recorded by the delivery service; and

(iii) if sent by email, at the time of transmission, or, if this time falls outside working hours in the place of receipt, when working hours resume. For the purposes of this clause, working hours means 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the place of receipt.

(c) This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

16.9 Survival. Any clause of the Agreement that expressly or by implication is intended to come into or continue in force on or after termination shall remain in full force and effect.

16.10 Third party rights. No one other than a Party to this Agreement, the Supplier's Affiliates and either Party's successors and permitted assignees, shall have any right to enforce any of its terms.

16.11 No partnership or agency. Nothing in this Agreement shall constitute the Distributor as agent of the Supplier or its Affiliates for any purpose and no partnership or joint venture shall be deemed to exist between the Parties. In carrying out its duties in this Agreement and in dealing with the Supplier and its Affiliates and the Products, the Distributor shall act for all purposes as an independent contractor and not an employee of the Supplier for any purpose whatsoever.

16.12 Capacity, execution and counterparts. Each Party represents and warrants that it has the full capacity and authority to enter into this Agreement. This Agreement may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement. Each Party agrees that electronic signature or approval shall be acceptable and evidence of execution may be provided by a scanned email copy.

16.13 Non-solicitation of employees. For the duration of this Agreement and for a period of 1 year thereafter, the Distributor shall not, and shall procure that its Affiliates shall not, without the prior written consent of the Supplier, solicit, entice or offer employment to any person who is or was within a period of 2 years prior thereto an employee of the Supplier or its Affiliates having any responsibility or duty under or in connection with this Agreement.

16.14 Publicity. Notwithstanding any other clause of this Agreement, the Supplier may disclose to third parties and make known in the public domain that it is a supplier of the Products to the Distributor and its retailers.

16.15 Governing law. This Agreement, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of the Legal Jurisdiction specified in the Commercial Terms (if applicable) or the laws of England and Wales.

16.16 Jurisdiction. Each Party irrevocably agrees that the courts of the Legal Jurisdiction specified in the Commercial Terms (if applicable) or England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation.

[End of Standard Terms and Conditions of Sale]