

General Terms of Purchase

1. Interpretation

1.1 Definitions. In these Terms, the following definitions apply:

Affiliate: any legal entity (body corporate) that directly or indirectly Controls, is Controlled by or is under common Control with another entity.

Applicable Law(s): any acts, laws, rules, regulations, statutes, ordinances, binding decisions, or equivalent, of any country, as from time to time amended, that may have application on any aspect of the Contract, having regard to the place of establishment of the Parties, the choice of governing law and jurisdiction, under clause 22.12, the Delivery Location or any other relevant factor creating nexus to such country.

Books and Records: books, records, invoices and accounting documents pertaining to the Supplier's performance under the Contract.

Cause: means (i) a non-curable Material Breach; and/or (ii) a failure to remedy a curable breach (whether Material Breach or otherwise) within thirty (30) days of being asked by the other Party in writing to do so; and/or (iii) an Insolvency Event to the greatest extent permitted by Applicable Law; and/or (iv) a Force Majeure that continues for more than thirty (30) days.

Client Materials: all materials, equipment and tools, drawings, Specifications and data supplied by Client to the Supplier.

Client: any of the Affiliates of NATURA &CO that enters into a Contract with the Supplier.

CoC: NATURA &CO's Code of Conduct for Suppliers as communicated to the Supplier from time to time, which is an integral part of the Contract.

Commencement Date: the date on which a Contract becomes binding on the Parties, pursuant to clause 2.

Contract: any Order placed by Client and accepted by the Supplier inclusive of these Terms, the CoC, as well as, by express reference only, the Specifications and/or Representations and DPA, if applicable.

Control: (in relation to a body corporate) the power of a person to secure the manner in which the affairs of such body corporate are conducted, directed or managed, by means of the holding of shares or the possession of voting power thereof.

Correctly Rendered Invoice: is an invoice that (i) includes Order number, complete bill-to address, description of Goods or Services, unit prices, quantities, applicable tax or other charges or other references required by Applicable Law, and extended totals; (ii) is issued within twelve (12) months after Client receives the Goods or Services; and (iii) is issued pursuant to Client's invoicing procedures, which may include electronic transmission of invoice through a portal of a specified digital application.

Country: the country in which Client has its registered office.

Data Protection Laws: all Applicable Laws on data protection, regulations, regulatory requirements and codes of practice.

Delivery Location: place of delivery of the Goods and/or Services agreed by the Parties in writing.

DPA: Client's standard data protection agreement (if signed on its own) or addendum (if annexed to an existing commercial agreement) which the Supplier has reviewed and agreed to, or such document subject to any agreed modifications between the Parties, setting out in detail the Parties' respective rights and responsibilities with respect to the lawful processing of Personal Data.

Export Controls: Applicable export Laws, restrictions, security controls and regulations imposed nationally or internationally by governments, international organisations, agencies and authorities.

Force Majeure: means any circumstance or event, which is beyond the reasonable control of a Party, which by its nature could not have been foreseen by such a Party or if it could have been foreseen was unavoidable and which may cause delay or failure to perform such Party's obligations under the Contract in whole or in part.

Goods: the goods set out in the Contract, which must conform to any applicable Specifications. Reference to Goods includes any off-the-shelf software (when treated as such under Applicable Law) as well as any physical deliverables (objects) which are provided to Client by the Supplier in the context of the provision of Services.

Incidentals: The goods and/or services ordered by the Supplier, for the account and at the expense of Client, in whole or in part, as well as the items and tools made available to the Supplier by Client for the sole purpose of the performance of the Contract, which may include, but not limited to, moulds, matrices, plans, mock-ups, software source codes, documentation, etc.

Insolvency Event: means (i) suspension of payments of debts; (ii) inability to pay debts; (iii) collective creditor negotiations; (iv) winding up petition; (v) application for appointment of administrator or administrative receiver or receiver, or any preparatory steps or applications leading up to any of the above, or equivalent arrangements under Applicable Law.

IP Rights: means patents, copyrights, trademarks, trade names, registered designs, design rights, domain names, trade secrets, and any other intellectual property rights, in each case whether registered or unregistered.

Material Breach: means a breach of a material term of the Contract (including clauses 3, 4.1, 4.2, 9, 11, 12.3, 14, 15, 22.3(a)) (noting that any breach of clauses 9.1, 9.3, 9.4, 9.5, 9.6, 14, 15, or 22.3(a) or failure to deliver on time, where time is of the essence, will be deemed as a non-curable Material Breach).

NATURA &CO: NATURA &CO HOLDING S.A. and all its Affiliates

Order: Client's order for the supply of Goods and/or Services.

Party: a party entering into a Contract, namely Client or the Supplier; and **Parties** shall mean all the parties entering into a Contract.

Personal Data: any data that can be used to directly or indirectly (in combination with other data) identify an individual (natural person), as defined in Data Protection Laws.

Price: the agreed value payable in consideration for the performance of the Supplier's obligations as set out in the Contract.

Representations: any written representations made by Supplier (e.g. in an offer or proposal document or equivalent) pertaining to the Goods or Services.

Services: the services to be provided by the Supplier and set out in the Contract, which may include any software that does not fall under the definition of Goods.

Specifications: the agreed specifications, descriptions, requirements, or samples for Goods or Services.

Supplier the person or company with whom Client is entering into the Contract.

Term: the period during which the Contract remains in force, starting from the Commencement Date until its Termination.

Termination: the termination of the Contract for whatever lawful reason or cause, including as a result of (i) the completion of the performance of Contract; or (ii) the expiration date specified in the Contract, if any; or (iii) the lawful and effective exercise by either Party of its legal or contractual termination rights; or (iv) the agreement between the Parties to terminate the Contract; or (v) any other legal basis for termination (e.g. frustration of the object of the Contract).

Terms: these General Terms of Purchase.

2. Basis of Contract

- 2.1 A Contract comes into effect when an Order (from Client) is accepted (by the Supplier) pursuant to clause 2.3.
- 2.2 These Terms apply to the Contract to the exclusion of any other terms that the Supplier seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing, unless the Parties enter into a separate written agreement.
- 2.3 The Order constitutes an offer by Client to purchase Goods and/or Services from the Supplier in accordance with these Terms and any Specifications or Representations referred to in the Order. The Order shall be deemed to be accepted on the earlier of:
 - (a) the Supplier issuing written acceptance of the Order; or
 - (b) any act or word by the Supplier consistent with fulfilling or unambiguously implying a promise to fulfil the Order.
- 2.4 Documents and messages exchanged electronically (other than Specifications or Representations) shall have evidentiary value between the Parties to help clarify the true intent of the Parties in the event of any ambiguity but will not otherwise be part of the Contract.
- 2.5 Client does not grant the Supplier any exclusivity regarding the Contract.
- 2.6 In case of conflict between these Terms and anything contained in the Order, the Specifications, and/or the Representations, these Terms shall prevail, unless any agreed deviation therefrom is explicit and in written form signed by authorised signatories of the parties.

3. Supplier's General Obligations

- 3.1 During the Term the Supplier shall:
 - (a) meet any agreed performance or delivery dates/timetables or other milestones specified in the Contract;

- (b) co-operate with Client in all matters relating to the Contract, and comply with all of Client's reasonable instructions;
- (c) use only personnel who are legally able, suitably skilled and experienced to perform tasks assigned to them, and in sufficient number to ensure that the Supplier's obligations are fulfilled in accordance with the Contract;
- (d) procure all equipment, tools and vehicles (including personal protective or safety equipment) and such other items as are required to fulfil its obligations under the Contract;
- (e) use the best reasonably available quality goods, materials, standards and techniques to fulfil its obligations under the Contract;
- (f) obtain and, at all times, maintain all necessary licences, permissions, authorisations, consents and permits and make available relevant documentation to Client on request, and comply with all Applicable Laws on product safety;
- (g) observe all health and safety rules and regulations and any other security requirements that apply at any of Client's premises;
- (h) hold all Client Materials in safe custody at its own risk, in good condition until returned to Client, and not dispose or use the Client Materials other than in accordance with Client's written instructions or authorisation;
- (i) not do or omit to do anything which it knows may cause Client to lose any licence, authority, consent or permission upon which it relies for the purposes of conducting its business, and the Supplier acknowledges that Client may rely on the Supplier;
- (j) ensure that its employees, when visiting Client's premises for the purpose of providing Services, bring their own re-usable glass or cup for drinks, as Client in line with its sustainability policies, does not provide one-use plastic containers to visitors;
- (k) provide to Client true and accurate information; and
- (l) immediately notify Client in writing if Supplier becomes aware of any product safety hazard or violation of any legal requirement.

4. Supply of Goods

- 4.1 The Supplier warrants that the Goods:
 - (a) are in accordance with the Specifications, Representations and the Contract;
 - (b) are of satisfactory quality and fit for any purpose held out by Supplier or made known to the Supplier by Client, expressly or implied by law and in this respect, Client relies on the Supplier's skill and judgment;
 - (c) are free from defects in design, materials and workmanship and remain so for at least 12 months after delivery, or for such longer period as may be stipulated in Applicable Law or in manufacturer's or Supplier's warranty; and
 - (d) comply with all Applicable Law requirements relating to the manufacture, labelling, packaging, storage, handling and delivery of such goods.
 - (e) will not infringe the IP Rights of any third party.
- 4.2 Supplier further warrants that at the time of transfer to Client of the Goods, Supplier shall have good title thereto and transfer to Client of such Goods shall convey title thereto to

Client free and clear of all liens, claims, encumbrances, debts and rights of third parties of any nature.

- 4.3 Supplier will inform, at the time of an audit (under clause 22.1) or when requested by Client, the traceability of all Goods supplied, as well as the audit report of their respective suppliers.
- 4.4 Supplier will not be liable for breach of the warranties under clauses 4.1(c) (in so far as defects in design are concerned) and 4.1(e) (in so far as Client generated IP Rights are concerned), where Goods have been designed or developed by Client, and Supplier performs contract manufacturing only and where Supplier follows Client's written instructions on the use of certain materials, provided that Supplier will inform Client without delay of any issue or concern that it becomes aware of pertaining to the Specifications, Client's instructions or Client generated IP Rights.

5. Delivery of Goods

- 5.1 When the Supplier supplies any Goods, it also shall ensure that:
 - (a) the Goods are delivered on time (during Client's normal business hours) in full, in line with any detailed stipulations in the Contract and, unless otherwise specified in the Contract, time for delivery shall be of the essence;
 - (b) the Goods are properly packed and secured in such manner as to enable them to reach their destination in good condition;
 - (c) each delivery of the Goods is accompanied by a delivery note which shows the date of the Order, the Order number (if any), the type and quantity of the Goods (including the code number of the Goods (where applicable), special storage instructions (if any) and, if the Goods are being delivered by instalments, the outstanding balance of Goods remaining to be delivered;
 - (d) if the Supplier requires Client to return any packaging material for the Goods to the Supplier, that fact is clearly stated on the delivery note. Any such packaging material shall only be returned to the Supplier at the cost of the Supplier; and
 - (e) in case Client decides to return the Goods due to non-compliance with the Contract, the logistic costs for the return shall be borne by the Supplier, with a full refund given to Client of the Price as well as of any delivery costs for the initial delivery (unless a substitute delivery is agreed).
- 5.2 Delivery of the Goods shall be completed on the completion of unloading of the Goods at the Delivery Location.
- 5.3 If the Supplier:
 - (a) delivers less than 85% of the quantity of Goods ordered, Client may reject the Goods; or
 - (b) delivers in excess of the quantity of Goods ordered, Client may at its sole discretion, reject the excess Goods, and any rejected Goods shall be returnable at the Supplier's risk and expense. If the Supplier delivers more or less than the quantity of Goods ordered, and Client accepts the delivery, a pro rata adjustment shall be made to the invoice for the Goods; or
 - (c) delivers Goods that do not comply with the Specifications, and/or the Contract, Client may, at its sole discretion, reject such Goods, whereby the Supplier will

remain responsible for replacing the rejected Goods, without delay at the Supplier's cost.

- 5.4 If the Order is for the delivery of Goods by instalments, and time of such delivery is of the essence, then, if Supplier fails to deliver one or more instalments, Client may terminate or suspend the Order and any related Contract.
- 5.5 In the event of anything that may give rise under Applicable Law to a duty to recall the Goods, Supplier will: (i) promptly notify Client of relevant information; (ii) fully cooperate with Client; (iii) not make public relevant statements without Client's consent unless legally mandatory, and then upon notifying Client, where permissible; and (iv) take all necessary corrective or procedural actions as may be mandated on Supplier by Applicable Laws.

6. Supply of Services

- 6.1 When the Supplier supplies any Services, it will ensure that:
 - (a) it will perform the Services with reasonable care and skill and in accordance with best commercial practices and standards in the industry for similar services;
 - (b) the Services are in accordance with the Contract;
 - (c) the Services will not infringe the IP Rights of any third party;
 - (d) will send, when requested by Client, a follow-up report of the Services detailing the activities carried out and the results achieved;
 - (e) immediately inform Client in writing of any irregularities in the provision of Services or impediments found during the performance of its activities that affect its performance; and
 - (f) will correct, at its expense, within the period indicated by Client, the Services or procedures that present defects or inaccuracies or activities performed in disagreement with the provisions of the Specifications and/or the Contract. Failure to comply with this provision will enable Client to adopt the necessary measures, among which is to arrange for regularization directly by third parties, with the transfer of costs to the Supplier.

7. Inspections

- 7.1 Client shall have the right to inspect and test the Goods and/or Services at any time before delivery/conclusion:
 - (a) If following such inspection or testing Client establishes that the Goods or Services do not conform with Contract requirements, Client shall inform the Supplier of the need to promptly take such remedial action as is necessary to ensure compliance, in line with Supplier's obligations hereunder.
 - (b) notwithstanding any such inspection or testing, the Supplier shall remain fully responsible for the Goods and/or Services, and any such inspection or testing shall not reduce or otherwise affect the Supplier's obligations under the Contract, and Client shall have the right to conduct further inspections and tests after the Supplier has carried out its remedial actions.

8. Title and Risk

- 8.1 Title and risk to the Goods shall pass from Supplier to Client upon delivery of Goods.

8.2 Incidentals shall be or remain the exclusive property of Client and will only be used by the Supplier for the completion of the Contract. The safekeeping and maintenance of such Incidentals shall be provided by the Supplier at its own expense and risk. The Supplier will take out any necessary insurance and will provide evidence thereof. The Supplier will return any such Incidentals in good condition upon Client's first request and will not retain any copies thereof without Client's consent.

8.3 The Supplier will be personally responsible for the acquisition of any property rights owned by third parties, including IP Rights, and will assume liability for any claim related thereto in the event that such an acquisition may be necessary for the Contract.

9. Compliance

9.1 The Supplier will comply with (i) all Applicable Laws, in particular with anticorruption, anti-money laundering, antitrust, bidding, human rights, labour rights, modern slavery, protection of the rights of children and youth; and (ii) the CoC.

9.2 The Supplier also undertakes to: (i) participate in any workshops and trainings that Client may organize regarding its CoC; and (ii) to communicate the CoC to (and procure compliance thereto by) its representatives, employees, suppliers, subcontractors and others acting on its behalf who are directly or indirectly involved in the achievement of the object of the Contract; (iii) under no circumstance use slave and/or forced labour; (iv) comply with International Labour Organization conventions relating to elimination of child labour, equality, anti-discrimination, freedom of association.

9.3 The Supplier warrants that (i) it is not the target of any economic sanctions (by the UN Security Council, the EU, the USA, Brazil, or any other sovereign government), and (ii) to the best of its knowledge, it is not controlled or beneficially owned by any person subject to such economic sanctions and (iii) it is not engaged in any proceedings or subject to any investigations from authorities for the alleged breach of any such economic sanctions law; and (iv) it will comply with applicable economic sanctions laws.

9.4 The Supplier warrants that no Goods (finished products), or ingredients whether manufactured and/or developed by Supplier or any of its suppliers or sub-contractors, have been tested on animals in line with and subject to the rules set out by Cruelty Free International. In the event of a breach of this clause by the Supplier, Client may return the Goods and/or suspend trading and/or terminate the Contract with immediate effect.

9.5 The Parties will comply with Applicable Laws on biodiversity (access and benefit sharing), national environmental policy and environmental rules, and will assume all responsibility for any activities that may cause damage to the environment or amount to illegal access to biodiversity.

9.6 Client and Supplier shall each comply with Export Controls. Prior to Supplier exporting (or requesting that Client export) any technology or material (including data) of Client from any country) to perform its obligations hereunder, Supplier shall promptly (with cooperation and assistance from Client): (1) identify the Export Controls applicable to such technology and materials, including any required licenses, consents, authorizations or approvals; (2) notify Client of such Export

Controls; (3) obtain any such required licenses, consents, authorizations and approvals or, if and as requested by Client, cooperate with and assist Client in obtaining such licenses, consents, authorizations or approvals; and (4) provide any documents requested by Client to demonstrate Supplier's compliance with the Export Controls.

9.7 Supplier will maintain full and accurate Books and Records during the Term and for a minimum period of six (6) years thereafter (or such longer period prescribed by Applicable Law) to clearly reflect any transaction or business effected in connection with the Contract and will make them available to Client's duly authorized representatives.

9.8 The Supplier warrants that it will immediately notify Client if it becomes aware of or suspects any breach of the obligations established herein (particularly under this clause 9) and will fully cooperate in any investigation and will take all reasonably necessary measures in order to remedy such breach.

10. Client's Remedies

10.1 If the Supplier fails to comply with its obligations under the Contract, Client shall, without limiting its other rights or remedies, have one or more of the following rights:

- (a) to refuse to accept any subsequent performance of the Services and/or delivery of the Goods which the Supplier attempts to make;
- (b) to recover from the Supplier any costs incurred by Client in obtaining substitute goods and/or services from a third party;
- (c) to withhold payments until the breach is cured;
- (d) to claim and receive (on an indemnity basis) from the Supplier damages for any additional costs, loss or expenses incurred by Client which are in any way attributable to the Supplier's failure to meet such dates (inclusive of legal costs, fines, or penalties); and
- (e) to require the Supplier to repair or replace or reperform the rejected Goods and/or Services, respectively, or to provide a full refund of the price of the rejected Goods and/or Services (if paid) as well as all of Client's additional charges.

10.2 These Terms shall extend to any substituted or remedial Services and/or repaired or replacement Goods supplied by the Supplier.

10.3 Client's rights under any of the terms of the Contract are in addition to its rights and remedies under any other term or under Applicable Law.

11. Client's Obligations

11.1 In consideration of the supply of Goods and/or Services by the Supplier, Client shall:

- (a) pay any undisputed amount of the agreed Price to a bank account nominated in writing by the Supplier pursuant to clause 12;
- (b) provide the Supplier with reasonable access at reasonable time to Client's premises for the purpose of providing the Services; and
- (c) provide such information as the Supplier may reasonably request for fulfilling its obligations under the Contract and Client considers reasonably necessary for such purpose.

12. Charges and Payment

- 12.1 The Price to be paid by Client to the Supplier shall be:
- (a) fixed during the Term;
 - (b) inclusive of the costs for raw materials, components, labour, Supplier's profit, taxes, packaging, insurance and carriage, or any other costs related to the Supplier's activities related to the Contract. No extra charges shall be effective unless agreed in writing; and
 - (c) payable within 90 days (or such other period separately agreed or legally mandated) from the later of (i) receipt of satisfactory Goods or Services or (ii) the end of the month in which a Correctly Rendered Invoice is received, noting that Client will otherwise be entitled to withhold payment.
- 12.2 Supplier shall invoice Client on or at any time after delivery of Goods or completion of the Services.
- 12.3 If any portion of the invoiced amount is disputed genuinely and in good faith, Client will pay the undisputed amount, suspending the maturity of the disputed amounts until the dispute is resolved, out of court within a reasonable period, not exceeding thirty (30) days, or until the dispute is resolved in court.
- 12.4 All amounts payable by Client under the Contract are quoted and agreed inclusive of value added tax, or equivalent sales tax, such as GST or any other applicable tax that under Applicable Law may be for the account of Client and the price quoted and agreed is the final total amount payable by Client, unless otherwise specifically agreed in the Contract.
- 12.5 Each Party shall be severally liable for the tax obligations they are responsible for arising out of the Contract and/or these Terms, regardless of their nature and jurisdiction. In the event that Client is responsible, by virtue of law or order of an administrative authority, to withhold or pay taxes, including through tax deficiency notices of any nature or jurisdiction, owed by the Supplier, these Terms attribute said obligation to the Supplier in an amount equivalent to the tax demanded.
- 12.6 Supplier will not charge interest for late payment on any undisputed overdue amount exceeding the lowest of (i) any minimum or (ii) half of any maximum amount or rate prescribed or set out by local Applicable Laws.
- 12.7 Interest for late payment will not be cumulative with any other penalty under the Contract or Applicable Law.
- 12.8 The payment by Client to Supplier of the Price shall not by itself be construed as a deemed acceptance and shall not release the Supplier of any of its obligations.

13. Intellectual Property Rights

- 13.1 The IP Rights in all Client Materials and any Specifications are the exclusive property of Client. Unless otherwise agreed, Supplier will assign to Client the full and unencumbered ownership, with full title guarantee of all the IP Rights in Goods or in any work created by Supplier specifically for the Client or by any third party pursuant to the Contract on behalf of Supplier, also specifically for the Client, for use without any kind of limitation such as with respect to time, territory or media, existing now or which may exist in future. Supplier shall (and shall procure that any employees or third parties engaged in supplying Goods and Services shall) do all acts and things and execute promptly all such documents as shall be required by Client to give effect to or complete such

assignments. For the avoidance of doubt, this clause 13.1 does not apply to Goods sold "off-the-shelf" by Supplier (i.e. Goods developed by Supplier not specifically for Client and sold by Supplier to the open market).

- 13.2 Unless specifically agreed otherwise, nothing in these Terms shall be construed as conferring upon a Party the right to use the other Party's IP Rights, such as corporate name, domain names, copyrights, title of establishment, patents, designs, trade secrets, any distinctive signs or other trademarks filed or registered by the other Party.

14. Confidentiality

- 14.1 A Party (**Receiving Party**) shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature (**Confidential Information**) and have been disclosed to the Receiving Party by the other party (**Disclosing Party**), its employees, agents or subcontractors, and any other confidential information concerning the Disclosing Party's business or its products or its services which the Receiving Party may obtain. The Receiving Party shall restrict disclosure of such Confidential Information to such of its employees, agents or subcontractors as need to know it for the purpose of discharging the Receiving Party's obligations under the Contract, and shall ensure that such employees, agents or subcontractors are subject to obligations of confidentiality corresponding to those which bind the Receiving Party.
- 14.2 Confidential Information does not include information that: (a) is known by the general public or is generally available, without any breach by the Receiving Party to that effect; (b) is known to the Receiving Party on a non-confidential basis at the time of disclosure; (c) is legally and independently and on a non-confidential basis developed by the Receiving Party or obtained from a third party who has the right to make such disclosure; (d) is disclosed in writing by the Disclosing Party for the express purpose of its publication; (e) relates to any activity indicative of an unlawful act committed by either Party and which the other Party becomes aware of.
- 14.3 If a separate confidentiality agreement is signed between the parties, such agreement will prevail over this clause.

15. Personal Data Protection

- 15.1 Where processing of Personal Data is carried out by either Party under the Contract, the Parties will comply with all applicable Data Protection Laws and with the DPA.

16. Indemnity

- 16.1 Notwithstanding anything else in these Terms, the Supplier shall keep Client indemnified in full against all costs, expenses, damages and losses (whether direct or indirect), as a result of or in connection with:
- (a) any claim made against Client for actual or alleged infringement of a third party's IP Rights, image or personality rights, arising out of, or in connection with, the manufacture, supply or use of the Goods, or receipt, use or supply of the Services;
 - (b) Supplier's breach of clauses 3 to 9, 12.5, 13 to 15 and/or 22.8; and
 - (c) any consumer claim or claim by consumer associations or claims or regulatory actions by competent authorities,

brought in relation to detriments to health caused by Goods or Services.

17. Liability

- 17.1 Nothing will limit or exclude either Party's liability (whether direct or indirect) for (i) death, personal injury, damage to property, arising from negligence; (ii) fraudulent misrepresentation; (iii) wilful misconduct; (iv) gross negligence; or (v) any loss for which it is prohibited by Applicable Law to exclude, restrict or modify liability.
- 17.2 Nothing will limit or exclude the Supplier's liability under a product recall eventuality described in clause 5.5, or the Supplier's liability under clause 16.

18. Insurance

- 18.1 During the Term and for a reasonable period thereafter, the Supplier shall maintain in force, with a reputable insurance company appropriate insurance, as applicable, such as professional indemnity insurance, product liability insurance and public liability insurance to cover the liabilities that may arise under or in connection with the Contract and shall, on Client's request, produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of each insurance.

19. Term

- 19.1 A Contract will remain valid until it is terminated pursuant to clause 20, or until the Order is fulfilled pursuant to its terms, whether fulfilment takes place over a period which may be:
- (a) of very limited duration (e.g. purchases "over the counter"); or
 - (b) of a longer duration (e.g. gradual fulfilment over a specified or unspecified longer period of time).

20. Termination

- 20.1 For Cause: Without limiting its other rights or remedies, either Party may terminate the Contract for Cause by giving written notice to the other with immediate effect.
- 20.2 Without Cause: Without limiting their other rights or remedies, in the event of clause 19.1(b), where the term of the Contract is longer than the notice periods stated hereunder:
- (a) Client may terminate the Contract (or part thereof) without Cause and without further obligation to the Supplier, subject to clause 21.2, upon thirty (30) days' written notice at any time.
 - (b) The Supplier may terminate the Contract without Cause by giving Client three (3) month's written notice and the Supplier shall refund Client within five (5) calendar days, all advance payments, which cover the period after termination.

21. Consequences of Termination

- 21.1 On termination of the Contract or any part of it for any reason:
- (a) the Supplier shall immediately return all Client Materials. If the Supplier fails to do so, then Client may, without limiting its other rights or remedies and subject to Applicable Law, enter the Supplier's premises and take possession of them. Until they have been returned or

delivered, the Supplier shall be solely responsible for their safe keeping and will not use them for any purpose not connected with the Contract;

- (b) the Supplier shall not sell or otherwise dispose of, nor permit the sale or disposal of, any Goods bearing any Client IP Rights (including any rejected Goods) to anyone other than Client without first obtaining Client's express written consent;
 - (c) the Supplier shall comply with all reasonable instructions given by Client as to the method of disposal of the Goods;
 - (d) the accrued rights and remedies of the Parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination; and
 - (e) clauses which expressly or by implication have effect after termination, shall continue in full force and effect, including clauses 14, 16, 17 and 18.
- 21.2 In the event of termination under clause 20.2(a), Client shall pay the Supplier for the out of pocket costs relating to any unfinished Goods or Services (work in progress) upon their delivery to Client.

22. General

- 22.1 *Audit*: On request Supplier shall send Client Books and Records as may be reasonably required to demonstrate its (or its subcontractors, if any) financial health, as well as Supplier's (or its subcontractors, if any) compliance with its obligations under the Contract, including the CoC. Supplier will facilitate the access, at any time, of professional experts indicated or engaged by Client so that audits are performed in the Supplier's facilities and in the places where the contracted activities will be carried out. Audits will be carried out periodically, according to frequency and eligibility as informed by Client, upon prior notice of five (5) days, or without notice (spot checks) as regards specifically compliance with CoC. The annual social / ethical auditing costs will be borne by Supplier and other audit costs (including for spot checks) will be borne by Client unless in the event of findings of non-compliance, in which case Supplier will bear the cost.
- 22.2 *Force majeure*: Neither Party shall be liable to the other as a result of Force Majeure.
- 22.3 *Assignment and subcontracting*:
- (a) The Supplier shall not assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights (including credit rights) or obligations under the Contract without the prior written consent of Client. Supplier will in any event be fully liable for the performance of any subcontractor.
 - (b) Client may, at any time, freely and without Supplier's prior approval assign, transfer, charge, subcontract, or deal in any other manner with all or any of its rights under the Contract and may subcontract or delegate in any manner any or all of its obligations under the Contract to any of its Affiliates or to any third party or agent.
- 22.4 *Notices*:
- (a) Any notice or other communication required to be given to a Party under or in connection with the Contract shall be in writing and shall be delivered to the other Party personally or sent by prepaid first-class post, recorded delivery or by commercial courier, at its registered office

(if a company) or (in any other case) its principal place of business.

- (b) This clause shall not apply to the service of any proceedings or other documents in any legal action. For the purposes of this clause, "writing" shall not include e-mails and for the avoidance of doubt notice given under the Contract shall not be validly served if sent by e-mail.

22.5 *Waiver and cumulative remedies:*

- (a) A waiver of any right under the Contract is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a Party in exercising any right or remedy under the Contract or by Applicable Law shall constitute a waiver of that or any other right or remedy, nor preclude or restrict its further exercise.
- (b) Unless specifically provided otherwise, rights arising under the Contract are cumulative and do not exclude rights provided by Applicable Law.

22.6 *Severance:*

- (a) If a court or any other competent authority finds that any provision (or part of any provision) of the Contract is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed deleted, and the validity and enforceability of the other provisions of the Contract shall not be affected.
- (b) If any invalid, unenforceable or illegal provision of the Contract would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

22.7 *No partnership:* Nothing in the Contract or these Terms is intended to, or shall be deemed to, constitute a partnership or joint venture of any kind between any of the Parties, nor constitute any Party the agent of another Party for any purpose. No Party shall have authority to act as agent for, or to bind, the other Party in any way.

22.8 *No employment:* The Supplier is the sole employer of the Personnel used to perform the Services and supply the Goods and, therefore, is liable for all labour, civil, tax and social security charges related to its employees, subcontractors, agents or partners appointed for the performance of the Contract without any employee claims against Client ("**Employee Claims**"). The Supplier will fully indemnify Client against any Employee claims (pursuant to clause 16) even if any such Employee Claims are successfully awarded against Client, whereupon the Supplier will also indemnify Client against any fines, costs, legal fees and administrative/procedural expenses arising from administrative proceedings and labour lawsuits relating to such Employee Claims against Client.

22.9 *No economic dependence:* The Supplier hereby declares that it carries out its commercial activities for other companies, possessing full business capacity. No relationship of economic dependence between the Supplier and Client is established.

22.10 *Third parties:* A person who is not a party to the Contract shall not have any rights under or in connection with it.

22.11 *Variation:* Any variation, including any additional terms and conditions, to the Contract shall only be binding when agreed in writing and signed by the Parties.

22.12 *Governing law and jurisdiction:* The Contract, and any disputes or claims arising out of or in connection with it or its

subject matter or formation (including non-contractual disputes or claims), shall be governed in accordance with the laws of the Country, and the Parties irrevocably submit to the exclusive jurisdiction of the courts of the Country.

22.13 *Authority:* the individual entering into the Contract for and on behalf of a Party, warrants and represents that he or she has the authority to bind such Party pursuant to the terms of the Contract.