

Date: April 2<sup>nd</sup>, 2019

**Gorgeous Business BV**

**Purchase Terms & Conditions**

**THIS GENETRAL TERMS and CONDITIONS of PURCHASE DOCUMENT** is made this 02 April 2019 (the “Effective Date”)

## **Definitions**

In this document, unless the context otherwise requires, the following expressions have the following meanings:

<b>“Agreement”</b>	means this agreement and the Schedules attached hereto;
<b>“Contract”</b>	any present and future written agreement concluded between Customer and its contractual Supplier;
<b>“Customer”</b>	Gorgeous Business BV, registered at Emmalaan 22, 2405GD Alphen aan den Rijn;
<b>“Data”</b>	means any drawings, illustrations, photos calculations, specifications, and other documents made available to the Supplier;
<b>“Supplier”</b>	a legal entity, which delivers goods and services to Customer based on purchase orders issued by Customer under de terms and conditions of a Contract;
<b>“GTCP”</b>	General Terms and Conditions of Purchase described in this document, which apply to all and any business relationship between Customer and Supplier. The GTCP are therefore an integral part of any present and future Contract concluded between Customer and its contractual Supplier.

## **Article 1 – Scope**

- (1) These GTCP apply to all and any business relationships between Customer and its contractual Supplier. The GTCP are therefore an integral part of any present and future Contract concluded between the Customer and its Supplier(s) in relation to the deliveries and services offered by the latter. They shall also apply to all future purchase orders or other orders.
- (2) The GTCPs further apply to the Customer's legal successors as well as to its associated companies.
- (3) All and any deviating terms and conditions of the Supplier or third parties shall not apply, even if the Customer does not expressly object to them.

## **Article 2 – Orders and contract**

- (1) Purchase orders and other orders as well as subsequent amendments thereof shall not be binding unless agreed upon in writing. Unless specifically indicated otherwise, all offers made by the Supplier shall be valid for at least 3 (three) months.
- (2) A Contract shall be concluded at the time of dispatch of a written purchase order confirmation by the Supplier. The Supplier must accept and confirm a purchase order within 7 (seven) calendar days of receipt of said order. After expiry of the acceptance period the Customer shall not be bound to the order any longer.
- (3) Valid Contracts can only be concluded with the Customer's management; agreements or any amendments made with employees of the Customer who are not duly authorised for closing such arrangements, shall not bind the Customer.
- (4) The Customer shall be entitled to adjust time and place of delivery as well as the type of packaging by written notice up to 7 (seven) calendar days prior to the agreed delivery date.  
The same applies to changes to product specifications, as far as these changes can be implemented in the course of the Supplier's normal production process without significant additional expenditure, whereby any such additional expenditure must be indicated within a period of at least 14 (fourteen) calendar days. The Supplier shall carefully estimate any potential delivery delays and notify the Customer in writing thereof in a timely manner prior to delivery, at least 7 (seven) calendar days after receipt of the Customer's notification as per Article 2 (4) sentence 1.
- (5) The Supplier must procure the permissions, permits and/or licenses needed for the execution of the agreement, in time and at his expense, and observe the conditions made therein or thereby. The Supplier will be solely liable for any failure to acquire the necessary permissions, permits or licenses or to acquire them in time, or for the non-observance of the conditions made

therein or thereby, and will indemnify the Company for all and any damages and costs arising from such failure.

- (6) In the event that due to circumstances arising after the conclusion of the Contract, the Customer shall no longer be able to make use of the products in its business operations, the Customer shall be entitled to terminate the Contract upon written notice. Insofar as the Supplier has already rendered partial services or made partial deliveries, the Customer shall remunerate the Supplier for said services and/or deliveries after deducting costs incurred by the Customer at that time.
- (7) Unilateral termination by the Supplier shall be null and void, unless the Customer agrees to said termination in writing.

### **Article 3 – Price, payment terms, invoicing**

- (1) The price stated in the purchase order shall be binding.
- (2) All prices shall be inclusive of turnover tax, delivery, packaging and transport to the delivery address stated in the order as well as all further levies and taxes in connection with or in relation to the goods or the delivery. There shall be no adjustment of prices on the grounds of increased wage or material costs.
- (3) Payment shall be made within 60 (sixty) calendar days after the last of the following points in time:
  - a) the time of delivery of the goods;
  - b) the time of approval of the goods by the Customer;
  - c) the time of receipt of an invoice by the Customer, fulfilling the requirements of Article3(5).

Payment of the delivered goods shall not discharge the Supplier of any guarantee and/or liability.

- (4) Decisive for payment in due time is the arrival of the transfer instruction form at the Customer's bank.
- (5) All order confirmations, delivery notes and invoices shall contain the Customer's order number, article number, delivery quantity and delivery address. In the event that one or several of these details are missing and this results in delayed processing of said documents in the course of the Customer's normal business operations, the payment deadlines as per Article3 (3) shall be extended by the period of delay.
- (6) Invoices must comply with the requirements of the Value Added Tax Act. Furthermore, they must be signed by a legal representative of the Supplier. Invoices that fail to comply with the above shall be neither processed nor paid.
- (7) In the event that the Customer has reasonable doubts that the Supplier will not be able to fulfil his obligations, the Customer shall be entitled to withdraw from the Contract.

Furthermore, the Customer shall be authorized to set off any amounts payable

– whether due or not - to the Supplier or to companies associated with the Supplier with any claims the Customer (or any party associated with the Customer) has against the Supplier or any company associated with the Supplier.

#### **Article 4 – Delivery, time of delivery, transfer of risk**

- (1) The time of delivery (delivery date or delivery period) stated in the purchase order shall be binding.
- (2) Early deliveries or partial deliveries may only be made with the Customer's prior written consent.
- (3) All deliveries must be made "Delivered Duty Paid" (DDP), unless other terms have been mutually agreed.
- (4) The Supplier must notify the Customer immediately, in writing, insofar as circumstances arise or become apparent, which indicate that the agreed time of delivery cannot be met.
- (5) Insofar as a delivery date has been specified, when passing of said date and not having accomplished the delivery the Supplier shall be in material breach of the Contract, without any warning to this effect being required.
- (6) In the event of a delay in delivery the Customers shall be entitled to all statutory rights and claims according to the Dutch Civil Code without limitation.
- (7) In the event of a delay in delivery and after issuing a prior written warning, the Customer shall - in addition to its statutory rights- be entitled to claim a contractual penalty amounting to 0.5 % (zero point five percent) but no more than 5 % (five percent) of the respective order value for every week of delay commenced.
- (8) In the event of sale by dispatch, the risk of accidental loss and deterioration of purchased items shall only transfer upon handing over of said items at the agreed destination to the Customer.
- (9) Insofar as, prior to delivery, the Customer has already paid a part of the purchase price, ownership of goods paid for shall be transferred to the Customer. In this case, the Supplier shall be required to mark, store safely and insure the Customer's goods.
- (10) Upon handover of the delivery items, the Customer shall sign for receipt of goods on the delivery note provided by the Supplier at that time. This acknowledgement of receipt shall not represent an acceptance of delivery.
- (11) The Supplier shall not be entitled to compensation as a result of possible delays in unloading of the delivered goods.
- (12) In international trade, these terms of delivery are to be interpreted and construed in the light of the Incoterms - published by the International Chamber of Commerce - regarding the delivery of goods in force at the time of the conclusion of the Contract.

### **Article 5 – Industrial and intellectual property rights**

- (1) The Supplier guarantees that the use of the delivered goods or the use thereof does not infringe any and all IP rights or any other rights of third parties in the European Union, Asia, North America or any other country, in which the Supplier manufactures products or has products manufactured on his behalf.
- (2) The Supplier shall indemnify the Customer against all claims brought by third parties against the Customer based on or related to the violation of rights mentioned in Article 5 (1).  
The Supplier will compensate the Customer for any loss and costs ensuing from such claims, irrespective of any fault on the Supplier's part.
- (3) Furthermore, the Supplier guarantees that the delivered goods are fit for sale in the worldwide market and that they may be traded freely in said market.  
Upon the Customer's request thereof, the Supplier shall furnish the names and other details of its own suppliers to the Customer if the Customer in turn needs to furnish those details to a third party.
- (4) The Customer shall own the title to all the industrial and intellectual property rights that arise or result from the implementation of the Contract by the Supplier, its personnel or third parties involved in the implementation of the said Contract.

### **Article 6 – Ownership protection**

- (1) The Customer retains the copyright of purchase orders and other orders issued by it as well as of Data made available to the Supplier. Without the Customer's express written consent, the Supplier may not make this Data, or the content of said Data, accessible to third parties or make it known to third parties or have it used or reproduced, either by Supplier or by any third parties.
- (2) Upon the Customer's request thereof, the Supplier must hand over or destroy all Data, with due regard to Supplier's applicable legal obligations to preserve records.
- (3) The Supplier's reservation of proprietary rights shall only apply in as far as it pertains to the Customer's payment obligations regarding such ordered goods, for which the Supplier reserves proprietary rights. In particular, extended reservation of proprietary rights shall not be permitted.

### **Article 7 – Assignment of claims**

The Supplier shall not be entitled to assign claims arising from this contractual relationship to third parties, except for monetary claims.

### **Article 8 – Withdrawal from contract**

- (1) In addition to cases specified by statutory law, the Customer shall be entitled to partially or completely withdraw from the Contract:
  - a) in the event that the Supplier does not, not in time or not sufficiently fulfil one or more of his contractual obligations,
  - b) in the event of bankruptcy, insolvency, complete or partial discontinuation of production, change of control, transfer or encumbrance of the Supplier's business, including the transfer or pledging of an important part of his accounts receivable,
  - c) in the event that any of the Supplier's goods or receivables are subject of on going or concluded legal proceedings.
- (2) The withdrawal must be made in writing without a reminder or a court order being required.
- (3) Insofar as the Supplier has made a contractually agreed partial delivery, the Customer shall be entitled to retain goods delivered against payment of the pro rata purchase price.
- (4) The Supplier shall compensate the Customer for all and any direct and indirect damages incurred as a result of the dissolution of the Contract.

### **Article 9 – Return shipments**

- (1) In the event that market conditions and/or the marketability of the goods delivered by the Supplier change significantly, as a result of Supplier's actions or failure to act in due time, in comparison with the initial market state at the time of the conclusion of the Contract, the Customer shall be entitled to return said goods. The Supplier must then credit and refund the originally paid purchase price for goods returned.
- (2) In the event that the packaging or labelling of the goods delivered by the Supplier deviates significantly from goods of similar kind and quality (e.g. so-called discount-action or faulty lots), the Customer shall be entitled to return said goods within 12 (twelve) months after receipt of delivery without stating any reasons. The Supplier must then credit and refund the originally paid purchase price for the returned goods.

### **Article 10 – Quality, warranty claims,**

- (1) The Supplier guarantees that the delivered goods are:
  - a) without any faults, original and originating from the manufacturer stated on the packaging and labels,
  - b) due to their shelf life and quality suitable for sale to resellers and consumers,
  - c) provided with the original and with regard to design and colouring most

- recent packaging and labelling of the manufacturer,
- d) are compliant with national, European and other international rules and regulations, including the requirement of displaying the original batch or code numbers (identical on packaging and labels) for proper identification.
- (2) The Supplier shall be liable for all and any damages and costs, including indirect and business damages (loss of profit), arising from the delivery of defective or inadequate goods or other shortcomings of the Supplier and/or the Supplier's subcontractors and/or employees, regardless of the question of fault.
  - (3) The Customer shall be entitled to statutory warranty claims without restriction. The provisions of the law notwithstanding, the warranty period shall be 36 (thirty-six) months.
  - (4) Notifications of deviations in quality and quantity shall be deemed timely if reported to the Supplier within 7 (seven) calendar days after receipt of delivery. Notifications of latent defects shall be deemed timely if reported to the Supplier within 14 (fourteen) calendar days after discovery of said defects. In both instances, a timely dispatch of the notification of defects shall suffice to meet the respective deadlines.
  - (5) The receipt of the Customer's written notification(s) of defects by the Supplier shall stay the statute of limitations for warranty claims.
  - (6) The Supplier shall immediately rectify all and any defects in consultation with the Customer. In the event that the Supplier does not rectify the defects immediately and/or sufficiently, the Customer shall have the right to undertake all necessary steps or have these undertaken or demand a replacement of the faulty goods, all at the Supplier's expense. In the event of replacement or rectification of defects, the statute of limitations for replaced or rectified goods shall commence with delivery of said goods.

#### **Article 11 – Product liability, Spot tests**

- (1) The Supplier shall be liable for all and any claims brought by third parties on the grounds of personal injury and/or property damages where these are attributable to a faulty/defective product delivered by the Supplier. The Supplier must indemnify the Customer from any such resulting liability. In the event that the Customer shall be required to conduct a product recall due to faulty goods delivered by the Supplier, the Supplier will reimburse the Customer all expenses, which ensue from or in connection with said product recall.
- (2) The Supplier must maintain a product liability insurance policy with a limit of indemnity of at least 2 (two) million EURO. Upon request thereto, the Supplier provides the Customer with a copy of the insurance policy and contribution statements.



- (3) The Customer or any third party designated by it, shall at all times be entitled to inspect or test the goods at every location prior to delivery. The results of inspection or test or the omission thereof shall not release the Supplier from any guarantee or warranty.
- a) The Supplier must provide the Customer with all information and facilities needed for an inspection or test, in particular make materials and employees available.
- b) The Customer's personnel costs or those of the designated third party, made in connection with an inspection or a test, shall be payable by the Customer. Any other costs shall be at the Supplier's expense.
- (5) In the event of a claim brought by the Customer, a report by an independent expert pertaining to and assessing the relevant defects shall be conclusive evidence between the contracting parties. Said report need not include any information on the identity of the Customer's clients nor the location of the goods. Moreover, the Customer shall not be bound to provide the Supplier with such details.

#### **Article 12 – Confidentiality**

- (1) The Supplier must keep confidential the conditions of the purchase order or any order and all and any information and documents (with the exception of public information), which has been brought or come to his knowledge by the Customer and/or within the framework of the agreement, and only use these for the execution of the order. This obligation goes beyond the provisions of the Contract and remains in place for 5 (five) years after termination of all business relations based on said contract between the contracting parties.
- (2) The Supplier shall refrain from mentioning his business relations with the Customer in all promotional material, brochures, on websites etc., unless the Customer has given its prior written consent; the Supplier is not permitted to exhibit products manufactured exclusively for the Customer.
- (3) The Supplier pledges to make his employees and subcontractors abide to the provisions of this Article 12.

#### **Article 14 – Effectiveness of GTCP**

The consequences of individual regulations and of agreements, arising or resulting from or in connection with said regulations, being considered ineffective, are governed by statutory provisions as stated in the Dutch Civil Code.

#### **Article 15 – Place of performance, legal venue, governing law**

- (1) Place of performance for all contractual obligations and disputes arising from the Contract shall be the Customer's registered office in Alphen aan den Rijn.

The same applies if the Supplier does not have domestic place of general jurisdiction or the Supplier's office, domicile or habitual residence are not known at the time of filing a lawsuit. The Customer reserves the right to take legal action at the Supplier's place of general jurisdiction.

- (2) The contractual relationship between the Customer and the Supplier shall be governed by and construed in accordance with Dutch law with the exception of the United Nations Convention on Contracts for the International Sale of Goods (CISG) of April 11, 1980. The Supplier acknowledges that the Customer may store data collected within the framework of the contractual relationship in accordance with the European GDPR regulations and the Dutch AVG (Algemene Verordening Gegevensbescherming) regulations for the purposes of data processing. The Customer furthermore reserves the right to share said data with third parties (e.g. insurance companies), as deemed necessary to fulfil its contractual obligations.