

## GENERAL PURCHASING CONDITIONS (GPC)

### 1. Definitions

<b>Affiliates:</b>	With respect to either Party, a company or any other corporate entity which, directly or indirectly (i) controls or is controlled by such party; or (ii) which is controlled by a company or any other corporate entity which controls, directly or indirectly, such Party, where “control” shall mean possession of the power to direct or cause the direction of the management and policies of a legally recognizable entity, through direct or indirect majority ownership of the company or entity concerned. Where the Agreement mentions Supplier, its Affiliates are also included.
<b>Agreement:</b>	These General Purchasing Conditions (GPC) including Globettrade’s Code of Conduct for Suppliers, any Purchase Order (PO) and its annexes, and any amendments that may subsequently be agreed upon in writing by the Parties.
<b>Confidential Information:</b>	All information which is not publicly known, that relates to the business affairs, data, products, fees and pricing, developments, trade secrets, intellectual property, know-how, personnel, clients and suppliers of Globettrade Deluco or Supplier whether or not such information was marked as “confidential”.
<b>Force Majeure:</b>	Any unforeseen event which is beyond the reasonable control of the Parties or any foreseeable occurrence the consequences of which may not reasonably be avoided that arises after the date of signature of this Agreement and which prevents performance of this Agreement, in whole or in part, by either Party. Force majeure includes fire, flood, earthquake, acts of war, terror, riots, orders issued by authorities excluding any acts or omissions by Supplier or other third party involved by Supplier in the performance of the Agreement. Are contractually regarded as cases of <b>hardship</b> , external circumstances other than a case of force majeure which render the Parties unable to perform the Agreement or which make the performance of the Agreement very difficult.
<b>Globettrade Deluco:</b>	A company with registered offices at 8500 Kortrijk, Beneluxpark 25, registered in the Register of Legal Entities in Ghent, Kortrijk Division under number 0443.916.639, and its worldwide Affiliates.
<b>Product AQL defect list:</b>	A list of minor, major and critical defects, sampling quantity and accepted number of defects.

### 2. Application of General Terms & Conditions

This Agreement applies to each accepted Purchase Order and to all services provided or products sold by Supplier or its Affiliate to Globettrade Deluco or its Affiliate. The GPC shall supersede, unless otherwise agreed, any and all of Supplier’s conditions of quotation, acceptance, purchase and/or supply. In the event of any conflict between various documents in the Agreement the following hierarchical order shall apply:

- 1) The Purchase Order and its annexes (“PO”);
- 2) The Agreement signed between Globettrade Deluco and Supplier, if any;
- 3) These GPC;

The invalidity of one or more provisions of the GPC shall not affect the validity and applicability of the other provisions in the Agreement. In such case Globettrade Deluco and Supplier will negotiate an alternative adhering as closely as possible to the economic effect of the invalid provision.

### 3. Establishment of the Agreement

All orders are placed via a Purchase Order (PO) and provided by Globettrade Deluco via email, containing all order details. Supplier will check each PO without delay for any errors, ambiguities as well as lack of suitability in respect of Globettrade Deluco’s intended purpose for Supplier’s products and will notify Globettrade Deluco immediately regarding any required changes or additional information.

The Agreement between Globettrade Deluco and the Supplier is established when the Supplier signs or otherwise accepts the Purchase Order issued by Globettrade Deluco. Within 2 working days of the date of the Purchase Order being received by Supplier, Supplier signs and stamps the PO and sends it back as order acceptance. Supplier shall be deemed to accept the PO,

the Agreement, and these GPC in the absence of any formal written notice to the contrary being received by Globettrade Deluco.

Supplier shall not subcontract any part of the performance under this Agreement to a third party, unless with Globettrade Deluco's prior written approval. An approval shall not release Supplier from any of its obligations or liability under this Agreement.

#### **4. Factory requirements, Health, Safety and Environmental Guidelines**

Supplier warrants that the manufacture of the products occurred in compliance with all statutory regulations and Globettrade Deluco's Code of Conduct for Suppliers, which can be found on <https://globettrade.be/code-of-conduct>. Globettrade Deluco is entitled to request additional supporting evidence such as audit reports.

#### **5. Intellectual property**

The moulds, models, samples, prototypes, documents, templates, designs, technical descriptions, calculations, plans, drawings, blueprints, photos etc made for or by Globettrade Deluco are and will remain the sole property of Globettrade Deluco or its customer and must – as long as they have not been made publicly available by Globettrade Deluco – be kept confidential and must not be copied, used for other than their intended purposes, or disclosed to third parties without the prior written consent of Globettrade Deluco, and must be returned immediately at the request of Globettrade Deluco.

Supplier guarantees that the products, artworks and packaging they offer will not violate or infringe any patent right, copyright, trade or service mark, registered model or any other rights of third parties. All intellectual property rights resulting from the (proposed) adaptation of one or more of the abovementioned elements by Supplier, whether upon instruction by Globettrade Deluco or upon Supplier's own initiative, shall be deemed assigned to Globettrade Deluco in full ownership, worldwide and for lifetime of copyright, upon their coming into existence. Supplier guarantees to have obtained the transfer of these rights from all employees or subcontractors contributing to said modifications.

Except for the intellectual property rights owned by Globettrade Deluco, Supplier shall hold harmless and defend Globettrade Deluco from and against any claims and damages resulting from any actual or alleged infringement on patents, licenses, business and manufacturing secrets, copyrights, trade or service marks, drawings and models and all rights entering within the scope of intellectual and industrial property rights, made or claimed by third parties at the expense of Globettrade Deluco.

Supplier agrees not to use, copy or reproduce any of Globettrade Deluco's intellectual property rights and materials without first obtaining Globettrade Deluco's agreement in writing.

Unless otherwise agreed upon in writing, products designed and/or ordered by Globettrade Deluco may only be produced when ordered by Globettrade Deluco and may only be supplied to Globettrade Deluco.

#### **6. Product compliance and traceability**

##### **A. Product Compliance**

The products must not endanger health, safety, environment or any other aspect of public interest protection. Supplier needs to take the necessary measures to avoid such threats;

All products (including all materials, inks used for printing, packaging material) must comply with all applicable legislation on general product safety, and all other compliance requirements as detailed in the testing and inspection plan that is attached to the PO and forms an integral part thereof.

Supplier accepts to subject the products to inspection in accordance with the testing and inspection plan.

Supplier shall notify Globettrade Deluco at least 10 working days in advance when testing or inspection can be performed.

All products can be tested and inspected before or during production. All test samples must be identical to the mass production. The first testing and inspection charges are at Globettrade Deluco's cost unless otherwise agreed. In case of failed test or inspection report, materials/compositions can be changed for re-testing or re-inspection within the lead time of order, Supplier shall bear the re-test and inspection costs in express service.

In case of failed testing or inspection report Supplier shall agree with Globettrade Deluco on the corrective actions to take and, if necessary sort and rework the products in order to submit the products to a new testing or inspection, at Supplier's expense.

If the product corrections or rework imply a delayed delivery time, Supplier needs to inform Globetrade Deluco thereof and parties will discuss potential remedies to ensure the original delivery time is adhered to.

If Supplier remains unable to adhere to the originally agreed upon delivery time, Globetrade Deluco has the right to cancel the order and be compensated for its loss and may purchase substitute products elsewhere. If the cost of purchasing such substitute products exceeds the price in the PO, Supplier shall pay the balance to Globetrade Deluco and/or Supplier will pay all damages, charges and/or penalties which Globetrade Deluco incurs, and reimburse any advances paid by Globetrade Deluco.

**It is expressly agreed that no products may be shipped, and no (final) payment will be made, unless Globetrade Deluco has received "pass" test and inspection reports.**

#### **B. Traceability**

In order to ensure immediate and durable traceability of the raw materials and packaging materials used, Supplier shall maintain a rigorous and comprehensive overview of their own suppliers, production sites, production times, and shipments related to all raw materials and packaging materials utilized in the manufacture of goods ordered by Globetrade Deluco. Supplier shall upon request promptly and at the latest within 2 working days produce any and all documents, records, or other evidentiary material that substantiates the foregoing. Supplier ensures that its own suppliers have a similar traceability system in place.

All traceability documents should be retained and accessible for at least 5 years.

#### **7. Delivery**

Delivery of the products takes place in accordance with the Incoterms (Incoterms 2020) and other logistic requirements as specified in the PO or its attachments.

Unless agreed otherwise in writing, all schedules, dates and milestones are deadlines. Supplier will immediately notify Globetrade Deluco of any risk of the agreed delivery date(s) or deadline(s) being exceeded.

In the event that Supplier fails to perform the agreed upon delivery Globetrade Deluco may, in addition to any other consequences of default (such as airfreight cost, costs incurred because of delayed delivery, loss in sales or annulation costs), request payment of a conventional penalty based on the overall agreed purchase price and the working days delay (according to the agreed delivery date) as follows:

- More than 5 days: 2%
- 6-11 days: 10%
- More than 11 days delay: 20%

Moreover, Supplier will pay all charges or penalties which Globetrade Deluco or any third party will incur. This includes airfreight cost, but also extra costs incurred because of late delivery, loss in sales or annulation costs.

Supplier additionally warrants that the delivered products will be lawfully exported and imported into the country of destination; that they conform to the proof of origin as confirmed by Supplier (to the extent requested by Globetrade Deluco); that they comply with all contractually guaranteed characteristics, with the order as well as the quality requirements.

#### **8. Invoices and Payment**

Any prices offered are fixed and exclusive of VAT, and cannot be changed or subject to price index during the term of the Agreement. All costs are included in the prices and cannot be charged separately, unless expressly agreed otherwise in writing.

If one of the agreed invoice requirements is not met, Globetrade Deluco has the right to return the invoice and the relevant amounts will only be due after a correct invoice is received. The changed invoice must state the date on which the new invoice was sent as the invoice date. The date on the changed invoice is the start of the payment term.

The agreed place of payment is Kortrijk, Belgium. The payment term is 60 days from the date on which Globetrade Deluco received and approved the invoice, unless otherwise agreed in writing. Globetrade Deluco is authorized to set off its due and payable receivables against the due and payable debts to Supplier.

Globetrade Deluco only owes VAT, if applicable, on the amounts due. Payment of other duties and mark-ups will be borne by the responsible party in accordance with the applicable Incoterm.

## 9. Complaints

Supplier guarantees that the delivered products are free of defects which would significantly decrease the value or harm their utilization.

The Supplier is obliged to lend all assistance required by Globetrade Deluco for the investigation of any complaint.

## 10. Warranties

Unless otherwise agreed upon, the warranty period guaranteed by Supplier is equal to the legal warranty period the consumer is entitled to under the applicable law of the country where the products are placed on the market, but no less than 24 months as of the date the products are made available to consumers. Supplier guarantees the quality of the products for that warranty period.

If so requested by Globetrade or its client, Supplier undertakes to repair or replace as quickly as possible any defective product reported in writing during the warranty period, all related costs being at the expense of Supplier. Parts that are changed, replaced or repaired under this warranty clause shall be covered by a warranty equal to the full original warranty period.

If Globetrade Deluco, or one of its affiliates, contracting parties or end consumer would suffer damages as a result of a defect or a lack of quality, Supplier shall be held to compensate Globetrade Deluco and its affiliates for all damages suffered and losses incurred for any reason other than force majeure or hardship.

## 11. Force Majeure

No Party shall be responsible for failure to carry out any of its duties under this Agreement to the extent to which this is caused by Force Majeure, provided that the affected Party:

- (a) has taken all reasonable steps to prevent and avoid the Force Majeure of, if that is not possible, to mitigate the effects of the Force Majeure;
- (b) carries out its duties to the best level reasonable achievable in the circumstances of the Force Majeure;
- (c) takes all reasonable steps to overcome and mitigate the effects of the Force Majeure as soon as reasonably practicable, including actively managing any problems caused or contributed to by third parties and liaising with them; and
- (d) on becoming aware of the Force Majeure promptly informs the other Party in writing that something has happened which is a Force Majeure, giving details thereof, how performance of the Agreement has been affected, together with a reasonable estimate of the period during which the Force Majeure shall continue.

The charges for orders or deliveries affected by a Force Majeure shall be reduced or waived to reflect the extent and standard to which the Agreement is being performed.

## 12. Termination

Either Party may terminate execution of the order prior to its delivery or acceptance by providing written notice to the other party: (i) if the other party has committed an act involving dishonesty, disloyalty, corruption or fraud (ii) if the other Party commits gross negligence, willful misconduct, non-professionalism or non-ethical behavior with respect to the performance or (iii) if the other party is in breach of a material term or condition and fails to remedy the situation within 10 days after receiving a written request to this effect; (iii) in an event of force majeure and/or hardship lasting longer than one month and the Parties have been unable to find an equitable solution (iii) effective immediately, if the other Party should be declared insolvent or bankrupt or make an assignment or other arrangement for the benefit of its creditors.

## 13. Insurance

During the term of the Agreement and for a period of three (3) years thereafter, Supplier will maintain with reputable insurers, at its own expense, adequate general liability insurance, product liability insurance and any other insurance which is required by law. Supplier shall procure that any subcontractor or third party shall likewise be similarly insured with reputable insurers against any losses.

The requirements set forth above will not in any manner limit the liabilities and obligations assumed by Supplier under this Agreement or any PO.

**14. Confidentiality**

Parties shall not disclose any Confidential Information.

After termination of the Agreement, products (or pre-production versions) or Confidential Information may not be shown or proposed to third parties, or exposed on Supplier's company website or in any other means of communication without prior consent of Globetrade Deluco, at least until such time as the information becomes public knowledge through no fault of the Supplier.

Should Supplier, deliberately or negligently, be in breach of any of the confidentiality obligations under this Agreement, it shall pay a penalty in an amount of USD 25 000 to Globetrade Deluco for such breach. Said penalty leaves unaffected the demand for actual damages.

Moreover Globetrade Deluco shall be authorized to seek all equitable remedies, including injunctive relief or specific performance, in addition to any other legal or equitable remedies that may be available under this Agreement and/or at law.

**15. Data Protection and Privacy**

Each Party shall, at all times, comply with its obligations under applicable legislation on the protection of personal data with regard to the processing of personal data and on the transfer of such data in connection with this Agreement.

**16. Applicable Law and Jurisdiction**

All disputes relating to the implementation or interpretation of this Agreement shall be governed by and construed exclusively in accordance with Belgian law.

In the event of any dispute, parties shall attempt to resolve such dispute through friendly consultations.

In case such dispute is not resolved through consultations within sixty (60) business days after the date such consultations were first requested in writing by a party, then it shall be submitted to the exclusive jurisdiction of the courts and tribunals of the district where Globetrade Deluco has its registered office.