

# GENERAL PURCHASE TERMS & CONDITIONS



## ARTICLE 1. GENERAL

1. These general terms and conditions, hereinafter "Terms" shall apply to each and every purchase agreement between Fasten BV or Innovative Beauty Group BV or Fasten Group BV or FST BV or Fasten Hong Kong Ltd or FST (UK) Limited or Fasten China, hereinafter: the "Buyer", and another party, hereinafter: the "Seller" to which Buyer has declared the present terms and conditions applicable, even if Buyer has not specifically referred to these general terms and conditions in an agreement and insofar as parties have not explicitly deviated from the present terms and conditions in writing. Buyer and Seller together are referred to as "Parties".
2. The present terms and conditions shall also apply to agreements with Buyer, the execution of which calls for the services of third parties.
3. These terms and conditions set forth shall be applicable to (the execution of) each purchase order. Each purchase order may be placed by an authorised representative of Buyer.
4. The application of any (sales) conditions employed by the other party is hereby explicitly rejected.
5. Should one or more stipulations of these general terms and conditions be or become null and void, the remaining stipulations of these general terms and conditions shall remain in full force and effect. Seller and the other party will then consult each other to agree upon new stipulations in substitution for the void or voided stipulations. In doing so, the purpose and meaning of the void or voided stipulation will be taken into account as far as possible.
6. In case of differences in interpretation of one or more stipulations of these general terms and conditions, it shall be interpreted in the spirit of these stipulations.
7. In case of situations which are not covered by these general terms and conditions, they shall be interpreted in the spirit of these general terms and conditions.
8. If Buyer fails to insist on strict compliance with these general terms and conditions, it does not mean that the stipulations thereof are not applicable, or that Buyer waives its right to enforce them in other cases.
9. The relationship between Buyer and Seller is that of an independent contract and nothing herein contained shall constitute or be deemed to constitute either party as an agent, distributor, employee or legal representative of the other party or to create a partnership or joint venture between parties hereto.

## ARTICLE 2. PURCHASE ORDER

1. Buyer shall request a quote/offer from Supplier for the Products. Buyer shall indicate the quantities, quality, type, colour, delivery time, duration of the quote/offer and other characteristics.
2. Supplier shall use its best endeavours to quote/offer the Products insofar as is consistent with its manufacturing facilities.
3. No quote/offer from Supplier shall be binding on Buyer until it has been accepted by Buyer in writing. Buyer may accept or refuse a quote/offer or any part thereof at its sole discretion.
4. Unless specifically agreed otherwise in writing all Products are sold to Buyer on the terms and conditions as set forth in These Terms.
5. Supplier undertakes to give as much attention as possible to Buyer's purchase order and carry out its duties as accurately and carefully as possible.
6. In performing its duties as set forth in the purchase order Supplier shall at all times safeguard Buyer's interests and the good name of Buyer and the Products.
7. Supplier represents that it has and will maintain the necessary qualifications, financial resources, experienced and competent staff (facilities) to carry out its duties as set forth in the purchase order. Supplier undertakes not to effect any substantial or material changes in its organisation which might adversely affect the ability to carry out such duties.

## ARTICLE 3. DELIVERY

1. Supplier shall deliver the Products at the delivery date designated in the purchase order.
2. Supplier shall notify Buyer immediately if the delivery date designated in the purchase order cannot be met, indicating the delivery which it would be possible to meet.
3. In the event that the Products will not be delivered at the delivery date, Supplier shall be liable for all damages or any loss suffered by Buyer as a result of the delay.
4. In the event that the Products are not delivered in full or in part at the delivery date, Supplier shall - after serving notice of default with a period of one week after written notification - be entitled to (partially) rescind the relevant purchase order. Supplier shall be liable for all damages or any loss suffered by Buyer as a result of the non-deliverance (in full or in part) of the Products.
5. Supplier shall transport and deliver the Products on the basis of DDP Warehouse Fasten in the Netherlands in its own name and for its own account. Supplier shall repair or replace at no charge Products which are damaged or lost during transport up to delivery.
6. The Products must be packaged properly and secured in such a way that they reach their destination in good condition. Buyer has to approve the way of packaging. Supplier will not mention his name/ logo/ address or any other factory/ Supplier related information on the packaging (box/ label/ pallet information etc). Supplier shall comply with all packaging requirements and instructions given by Buyer. Supplier shall insure itself against the risks reasonably expected during transport.
7. The Products shall be delivered by Supplier at the location agreed and, in the manner, stated in the purchase order.
8. The ownership of the Products shall be transferred to Buyer upon delivery of the Products to Buyer. Risk of loss or damage on the Products shall pass to Buyer upon delivery of the Products to Buyer.
9. Supplier shall provide the Products with a packing list specifying the Products, the quantity and type of the Products and the identification code of the purchase order.

## ARTICLE 4. PRODUCTS

1. Supplier represents and warrants that the Products delivered comply with all relevant laws and regulations in Europe. Supplier will inform Buyer about all new and existing legislation that may be relevant to the manufacturing, sale, transport and use of the Products.
2. Supplier represents and warrants that the Products shall be in accordance with what would be expected in the cosmetic industry. Supplier shall inform Buyer about all necessary maintenance, improvements or developments of the Products to (further) meet this expectation.
3. Supplier represents and warrants that the Products delivered:
  - comply with the purchase order in terms of quantity, description an quality and are free from defects;
  - are manufactured of sound materials and are properly realised;
  - are in all respects identical to the samples or models made available or issued by Supplier;
  - perform as described in the purchase order or in the description of the Products, in terms of capacity, yield, finish, etc.
  - are fully suitable for the purpose indicated by Supplier;
4. Supplier represents and warrants that it shall comply with all quality requirements, necessary inspections, ISO standards, best practices and guidelines and shall provide all necessary documentation or proof to Buyer.
5. Supplier represents and warrants that the Products delivered shall be free from pledges, preservation orders, reserve of title and/or other third party claims.

## ARTICLE 5. CLAIMS AND DEFECTS

1. Buyer is entitled, but not obliged to inspect and test the Products at all times, before and after the delivery of the Products.
2. The acceptance or non-refusal of the Products by Buyer does not constitute a waiver by Buyer of claims for loss or damages due to e.g. non-compliance with the purchase order, defects or shortages of the Products, timely delivery, an infringement of a warranty or any other obligation of Supplier, irrespective of whether or not Buyer has inspected or tested the Products.
3. Buyer is entitled to make all claims for defects of the Products within a period

of twelve months after delivery. For defects non-detectable at delivery Buyer is entitled to make claims within a period of one months after detection. Buyer shall provide documents to support and substantiate its claims.

4. Supplier shall be obliged to replace the Products, in consultation with Buyer, as quickly as possible.
5. In the event Supplier does not replace the Products - after serving notices of

default with a period of one week after written notification - Buyer shall be entitled to (partially) rescind the relevant purchase order. After rescission, Supplier shall be obliged to repay immediately the price already paid by Buyer and Buyer shall return the Products to Supplier.

6. Supplier shall be liable for all damages or any loss suffered by Buyer as a result of the defects and/or non-deliverance (in full or in part) of the Products.

#### ARTICLE 6. MOULDS

1. Buyer can provide a mould to Supplier or request Supplier to manufacture a mould on behalf of Buyer. Supplier shall be entitled to use the mould for the manufacturing of the Products on behalf of Buyer.
2. Supplier recognises and agrees that Buyer is entitled to the provided or manufactured mould.
3. Upon request Supplier shall return or provide the mould to Buyer within two days after receipt of the request.
4. Supplier shall not, directly or indirectly, whether on its own account or for or on behalf of any other person, firm or company whatsoever (further) use, copy, disclose, publish, (further) develop/alter and exploit the mould without

written consent of Buyer. If Supplier fails to comply with this obligations it shall be in default by operation of law and forfeit an immediately due and payable penalty of € 100.000,- (hundred thousand euro) for each violation to Buyer and a penalty of € 10.000,- (ten thousand euro) for each day the violation continues, notwithstanding the right of Buyer to claim all actual costs and damages and to invoke any other rights and remedied it may have pursuant to These Terms and applicable law.

5. The conditions in this article and within These Terms are also applicable on the moulds developed on behalf of buyer in an earlier stage (before the date this contract has been signed).

#### ARTICLE 7. INTELLECTUAL PROPERTY RIGHTS

1. In These Terms the term intellectual property rights shall mean all intellectual an industrial property rights including patents, knowhow, registered trademarks, registered design, utility models, applications for and rights to apply for any of the foregoing, unregistered design rights, unregistered trade names, copyright, neighbouring rights, database rights, domain names and any other rights in any invention, discovery or process, together with all renewals, improvements and extensions.
2. Supplier recognises and agrees that Buyer is entitled to all intellectual property rights in relation to the Products, including but not limited to the packaging, model, colour, substance, consistency, tradename, slogans and logo, and/or the provided or manufactured moulds.
3. Supplier hereby, free of charge, transfers all intellectual property rights relating to the Products and/or manufactured moulds to Buyer. Supplier grants an irrevocable power of attorney to take any legal action on behalf of Supplier in the event a further deed or action would be required to effectuate or validate the transfer of intellectual property rights. Supplier shall fully cooperate to effectuate or validate the transfer of intellectual property rights.
4. To the extent that any intellectual property rights cannot be transferred to Buyer, Supplier hereby grants an irrevocable, world-wide and perpetual licence, free of charge, to Buyer to use, (further) develop/alter and exploit the Products and/or manufactured moulds without restriction in its business operation and to sublicense the intellectual property rights to third parties.
5. Supplier represents and warrants that it has concluded written Agreements with all its personnel and any other party which may in any way be instrumental in the creation of any intellectual property right to insure that:
  - no intellectual property rights shall in any degree become vested in any such personnel or third party;
  - Supplier is fully able to comply with its obligation relating to intellectual property rights.
6. Supplier represents and warrants that the Products delivered, and/or manufactured moulds shall not constitute an infringement or other violation

of any intellectual property rights or other breaches of any third party's rights. Supplier shall indemnify and hold Buyer harmless from any costs and damages resulting from such third party claims. In the event the use or exploitation of the Products and/or manufactured moulds is prohibited, Supplier shall, after consultation with Buyer:

- procure a license to use the Products and/or moulds;
  - alter the Products and/or manufactured moulds so as to make it non-infringing;
  - replace the Products and/or manufactured moulds by Products and/or manufactured moulds with the same features which is not infringing, or;
  - accept return of the Products against a refund of the price paid therefor.
- Supplier shall in the first instance try to realize the first of the abovementioned options. Only if Supplier has demonstrated to Buyer that realization thereof is not reasonable possible, shall supplier have the right to realize the following option, provided that the quality of the product and/or manufactured mould is of the same level. Any damages suffered by Buyer shall be compensated by Supplier.
7. Neither the intellectual property rights in whole or in part shall be used by Supplier in any other matter than except in connection with the sale and deliverance of the Products to Buyer and during the term of These Terms only. Supplier is not permitted to use intellectual property rights in its communications with third parties.
  8. Supplier shall not use the intellectual property rights as part of its business or in any other matter that might suggest that Supplier has any proprietary interest in the intellectual property rights or would adversely affect these intellectual property rights.
  9. Supplier shall not do anything which would put in issue or adversely affect such validity or ownership of the intellectual property rights of Buyer.
  10. Supplier shall provide reasonable assistance to Buyer in connection with claims of third parties. In the event that Supplier assumes defence of any infringement claim, Supplier shall immediately notify Buyer.

#### ARTICLE 8. PRICES AND PAYMENT

1. The Parties shall establish unit prices and draw up a pricelist two months prior to each calendar year. This pricelist shall be applicable to all purchase orders during the following calendar year. No interim amendments during the calendar year may be made to this pricelist. In the event These Terms comes into effect in the course of a calendar year, the pricelist shall be applicable to all purchase orders during the remaining calendar year and the following calendar year. No interim amendments during this extended period may be made to the pricelist.
2. All prices to be charged to Buyer by Supplier shall be based on and be in accordance with the unit prices mentioned in the pricelist.
3. Unless specifically agreed otherwise in writing, Products shall be sold by Supplier in EURO.
4. The prices shall include all the expenses which are expected or have been incurred by Supplier, including the cost of research, testing (e.g. with regard to packaging, compatibility, stability, safety risk, leaking) development, work, materials, transport, travel, accommodation, assembly, insurance, import dues,

taxes (except VAT) and levies.

5. Supplier shall send an invoice with respect to that purchase order specifying the Products delivered.
6. All correct and undisputed invoices shall be paid within sixty days after receipt by Buyer of the invoice, unless Buyer has specified objections to the invoice. In the event of specified objections, Parties shall further consult on the matter. Based on the results of such consultation, Supplier shall send a new invoice to Buyer.
7. Buyer's exceeding any payment term or suspending payment with respect to any part of an invoice disputed by it, shall not give Supplier the right to suspend, terminate or rescind its obligations under These Terms and/or purchase orders. However the foregoing prohibition on termination shall not apply to the extent that the unpaid amount or delay in payment is such that Supplier cannot reasonably be required, also taking into account Buyer's interest and all other circumstances, to continue the relevant obligation under These Terms and/or purchase order.

#### ARTICLE 9. LIABILITY

1. Supplier shall - unrestricted and unlimited - be liable for any losses, costs and damages resulting from (i) death or personal injury arising from (defects in) the Products, (ii) any breaches of the confidentiality clause and (iii) an infringement of intellectual property rights of third parties.
2. The total liability of Supplier for any damage or loss suffered by Buyer on account of default in the performance of its duties under These Terms or purchase order, shall be limited to a maximum of € 5.000.000,- (five million Euro) per year, or, in the event this cumulates to a higher amount, the total amount of the

due invoices for the Products ordered by Buyer during the term of These Terms and any extensions thereof. The aforementioned limitations of liability are not applicable to article 9.1.

3. Supplier indemnifies and holds Buyer harmless against all financial consequences of claims by Suppliers personnel and contractors or claims by third parties as a result of one or more acts and/or omissions, in connection with the fulfilment of its obligations under the Agreement.
4. Supplier represents and warrant that it shall be adequately insured and shall

continue to be adequately insured during the term of These Terms. Suppliers insurance shall in any case cover liability for direct or indirect damages or loss, including but not limited to consequential damages and loss and loss of profits. On first request by Buyer Supplier shall provide evidence thereof, by providing a certificate relating to the insurance policy concerned, as well as evidence of contribution payments and claims that have already been paid out under any of such said policies.

5. Buyer is not liable for any indirect damages or loss, including but not limited to consequential damages and loss, loss of profits, loss or destruction of data,

damage or loss resulting from claims made by third parties against Supplier.

6. Buyer is only liable for actually suffered and proven direct damages or loss suffered by Supplier as a result of attributable shortcomings of Buyer. The total liability of Buyer for any damage or loss suffered by Supplier on account of default in the performance of its duties shall be limited to a maximum of € 50.000,- (fifty thousand euro) per year.

7. No limitation or exclusion of liability of a Party shall be valid if the damages and loss are the result of gross negligence or intention of the Party causing the damages or loss.

#### ARTICLE 10. FORCE MAJEURE

1. In the event of non-performance of contractual obligations due to circumstances not attributable to the non-performing party ("force majeure"), performance of those obligations, and other obligations dependent on them, shall be suspended in whole or in part for the period of force majeure, without any obligations on either side to pay damages.

2. For the purpose of These Terms, force majeure shall in any event not include: lack of staff, strikes, late delivery and/or unfit materials, raw materials, semi-manufactured Products, defaults or wrongful acts on the part of Supplier or third parties engaged by Supplier and/or liquidity or solvency problems on the part of Supplier or any third parties engaged by Supplier.

3. In the event of force majeure on the part of Supplier, it shall fully refund to Buyer all payments made by Buyer with respect to the period after the situation of force majeure arose.

4. In the event that Supplier is permanently prohibited from performing its obligations due to force majeure, or in the event that the situation of force majeure has continued for more than one month, or as soon as it is established that it will continue for more than one month, Buyer may terminate These Terms and/or purchase order, at Buyer's discretion in whole or in relevant part, with immediate effect.

#### ARTICLE 11. TERMINATION

1. Without prejudice to any other provisions in These Terms, either party shall have the right to terminate These Terms and/or cancel any purchase order, at its own discretion in whole or in part, with immediate effect and without any notice of default being required in the event:

- the other Party files for or is granted a moratorium on payments of its debts;
- the other Party files for bankruptcy or is declared bankrupt;
- the other Party is a legal entity which is dissolved;
- the other party shall have discontinued its entire business;
- the control of the other Party is transferred to a third party.
- the other party fails to perform timely or properly any material obligation under These Terms or any purchase order, and such default is not remedied within

a term of one week after written notice of default;

- performance by the other Party has become permanently impossible other than through force majeure;

2. In all events in which Buyer shall have the right to terminate or rescind These Terms, it shall also have the right to terminate or rescind any purchase order.

3. Termination or rescission of These Terms explicitly does not release Parties from those obligations which, by their nature, are intended to remain in effect, including the provisions with respect to confidentiality, engaging of third parties and liability for taxes, intellectual property, liability, and applicable law and dispute resolution.

#### ARTICLE 12. CONFIDENTIALITY

1. Confidential information means:

- all information and data concerning the Products, including any test results, compilations, reports, studies, know how, data, formula, process and control information, business model, financial information, drawings, samples, prices and any written and/or oral information of similar kind of nature and other documents that includes any portion of such information or data,
- These Terms and any purchase order, its contents, the existence thereof and any discussions relating thereto.

2. Supplier agrees to use the confidential information solely for the purpose of performing its duties under These Terms and/or purchase order and not for any other (commercial) purpose (e.g. the display of the Products on trade fairs or markets) and agrees to keep such information confidential and not to disclose without express prior written consent of Buyer.

3. Supplier shall protect confidential information from disclosure to others, using at least the same degree of care used to protect its own confidential or proprietary information of like importance. In any case Supplier shall use no less than a reasonable degree of care.

4. Supplier is permitted, however, to disclose confidential information to its personnel and advisors who have a need to know, for the purpose of performing its duties under These Terms and/or any purchase order.

5. Supplier guarantees that its personnel and advisors have been informed of the confidential nature of the confidential information and agree to be bound by the terms of These Terms or are subject to confidentiality obligations consistent with These Terms. Supplier agrees not to disclose confidential information to its personnel or advisors (to any person or entity) whom it knows or suspects to be a direct competitor of Buyer or an investor, employee or advisor of a direct competitor of Buyer.

6. Supplier shall not copy, reproduce, incorporate or change any part of the confidential information unless in the event it is reasonable necessary for the performance of its duties under These Terms and/or any purchase order.

7. The restrictions of this provision on use and disclosure of the confidential information shall not apply to information:

- publicly known at the time of disclosure by Buyer thereof to Supplier;
- in Supplier's possession free of any obligation of confidence at the time of disclosure by Buyer thereof to Supplier;

- developed by Supplier independently of and without reference to any of Buyer's confidential information or other information which Buyer disclosed in confidence to any third party;

- rightfully obtained by Supplier from a third party, authorised to make such disclosure without restriction; or;

- identified in writing by Buyer as no longer Confidential Information.

8. In the event Supplier is required by law, regulation or court order to disclose any of confidential information, Supplier will, if not prohibited by law, promptly notify Buyer in writing prior to making any such disclosure in order to facilitate Buyer in seeking a protective order or other appropriate remedy from the proper authority. Supplier agrees to cooperate with Buyer in seeking such order or other remedy.

9. Supplier further agrees that if Buyer cannot prevent that the requesting authority requires the disclosure of the confidential information, it will furnish only that portion of the confidential information, which is legally required. To this end, Supplier will exercise all reasonable efforts to obtain reliable assurances that disclosure of the confidential information shall be in accordance with These Terms.

10. Upon request by Buyer, Supplier shall promptly return or, if such confidential information cannot be returned, destroy, and direct its personnel and advisors to return or destroy, all confidential information disclosed to it as well as all notes, memoranda and other materials prepared by it or its personnel and advisors which reflect, interpret, evaluate, include or are derived from any confidential information, and if requested, provide certification to Buyer of compliance with this clause. Supplier may however retain such confidential information disclosed to it to the extent and as long as such retention is required by law.

11. Supplier shall be bound by these confidentiality obligations even after termination of These Terms.

12. If Supplier fails to comply with obligations as set forth in this article it shall be in default by operation of law and forfeit an immediately due and payable penalty of € 100.000,- (hundred thousand euro) for each violation to Buyer and a penalty of € 10.000,- (ten thousand euro) for each day the violation continues, notwithstanding the right of Buyer to claim all actual costs and damages and to invoke any other rights and remedied it may have pursuant to These Terms and applicable law.

## ARTICLE 13. NON-SOLICITATION

- Supplier shall not during the continuance of These Terms and for a period of two years after termination of These Terms, directly or indirectly, whether on its own account or for or on behalf of any other person, firm or company whatsoever, engage or be interested in the sale of the Products or similar products to clients of Buyer, without written consent of Buyer.
- Supplier shall not during the continuance of These Terms and for a period of two years after termination of These Terms, directly or indirectly, whether on its own account for or on behalf of any other person, firm or company whatsoever to induce or attempt to induce an employee or agent of Buyer to terminate its employment agreement or solicit/hire/offer/enter into an employment agreement or agency agreement with an employee or agent of Buyer or otherwise work with an employee or agent of Buyer, without written consent of Buyer.
- If Supplier fails to comply with the obligations as set forth in this article it shall be in default by operation of law and forfeit an immediately due and payable penalty of € 100.000,- (hundred thousand euro) for each violation to Buyer and a penalty of € 10.000,- (ten thousand euro) for each day the violation continues, notwithstanding the right of Buyer to claim all actual costs and damages and to invoke any other rights and remedies it may have pursuant to These Terms and applicable law.

## ARTICLE 14. GENERAL PROVISIONS

- Neither party shall, without the prior written consent of the other party, assign its rights and interests under These Terms to any third party.
- These Terms contains all Agreements, arrangements and stipulations in respect of the Products and supersedes all previous Agreements, arrangement and stipulations in respect of the same subject. Each purchase order and Appendix are integral part of These Terms.
- If any provision of These Terms should prove to be void or unenforceable, the other provisions of These Terms shall not be effected and shall continue in full force and effect. The Parties shall replace such void and unenforceable provision with a valid and enforceable provision, such provision shall be as consistent as possible with the intent of the parties as initially expressed.
- These Terms and any purchase order may be amended only by the authorized representatives of Parties and only in writing with explicit reference to the relevant provisions and/or purchase order and/or Appendix.
- If These Terms should be translated into a language other than English, the English version shall prevail in the event of any conflict. All correspondence, notices and other written matter hereunder shall be in the English language.
- The validity, interpretation, enforceability and effect of These Terms shall be governed by the laws of The Netherlands.
- Any dispute, controversy or claim arising out of or relating to These Terms, or the breach or invalidity thereof will be submitted to the court in Amsterdam (The Netherlands).

## APPLICABLE COMPANIES

FASTEN BV  
Willemsweg 73 / 4th floor- 1623JB Hoorn - the Netherlands  
Chamber of Commerce no.: 37085814

INNOVATIVE BEAUTY GROUP BV  
Willemsweg 73 / 4th floor- 1623JB Hoorn - the Netherlands  
Chamber of Commerce no.: 74341162

FASTEN GROUP  
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Chamber of Commerce no.: 71256989

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