

## GENERAL TERMS OF COOPERATION

### § 1

#### Application of these general terms of cooperation

1. These general terms of cooperation (hereinafter referred to as "**General Terms**" or "**GTC**") constitute an integral part of all agreements for the supply of cosmetic products (hereinafter referred to as "**Products**"), in Poland and/or abroad, made by NUCO Ltd. to ordering entities (hereinafter referred to as "**Buyer/Buyers**").
2. These GTC shall apply to all future deliveries, even if not expressly referred to in individual cases.
3. It is deemed that these Terms have been accepted by the Buyer, even if they differ from any general or specific purchasing conditions of the Buyer, the application of which the Supplier expressly excludes, also in the event of no explicit objection from the Supplier. This also applies in cases where the Supplier, being aware of the Buyer's different conditions, completed a delivery for them without additional reservations.
4. Employees of the Supplier are not authorized to incorporate into the supply agreement any template of agreement used by the Buyer or to recognize its validity, even in part, unless otherwise specified in an authorization provided in writing.
5. In the event that one or more provisions of these GTC are deemed invalid or inapplicable, the remaining provisions of the GTC shall remain in force. Invalid or inapplicable provisions may be amended in such a way that their content remains, as far as possible, as close as possible to the original provisions that were deemed invalid or inapplicable.

### § 2

#### Terms of establishing cooperation

1. Cooperation between the parties may involve the development of formulas, production technology, preparation for production, conducting necessary tests as specified in the specification, preparation of product documentation and production documentation for the product, as well as production, packaging, and sale of the products by the Supplier to the Buyer under the brand indicated by the Buyer.
2. Products subject to delivery by the Supplier will be manufactured based on a Brief provided by the Buyer, containing a detailed description of cosmetic Products, including: product characteristics, forecasted purchase volume, expected shelf life of the cosmetic Product, implementation deadline, quality requirements, packaging and batch labeling requirements.

3. The Buyer, as the entity introducing cosmetic Products to the market and for sale, is responsible for meeting all requirements specified by legal regulations as the responsible person.
4. The Supplier prepares the Products taking into account the Buyer's requirements regarding undesirable or prohibited ingredients ( "Negative list").
5. The basis for commencing individual stages of project implementation will be an agreed (each time) project schedule, whose implementation by the Buyer in accordance with the arrangements, including especially the scope of project milestones, is a condition for order fulfillment.
6. The basis for accepting products manufactured by the Supplier will be:
  - a. Approved cosmetic mass template (color Masterboard),
  - b. Approved cosmetic product component templates (logistic Masterboard),
  - c. Cosmetic Product template as a whole.

### **§ 3**

#### **Entering into agreements – accepting orders**

1. The Supplier will manufacture cosmetic Products exclusively based on orders placed by the Buyer in writing, including via email or through the Supplier's ERP system, to which the Buyer has previously obtained access.
2. Each supply agreement will be deemed concluded when the Buyer receives written confirmation from the Supplier of the order placed by the Buyer. The Supplier reserves the right to accept or reject the order.
3. The fulfillment of the placed order remains subject to the Buyer fulfilling the Buyer's obligations specified in the project implementation schedule, including especially in the scope of project milestones, within the deadlines specified therein.
4. Orders placed by the Buyer in writing, including via email, will be confirmed by the Supplier within 14 working days from their placement.
5. Placing an order in the Supplier's ERP system, subject to the rules previously specified in writing, to which the Buyer has previously obtained access, will also be considered as placing an order.
6. Any offers presented to the Buyer by the Supplier will be valid only for the period specified therein and will expire after its expiration date without the need for withdrawal. Unless otherwise agreed, it is assumed that the offer will be valid for 5 days from the date of its submission.
7. Offers submitted by the Supplier to the Buyer may be accepted by the Buyer only without reservations, changes, or additions. Article 68<sup>1</sup> § 1 of the Civil Code does not apply.

8. Reservations or modifications to the Supplier's offer are considered as a new order. In such a case, the agreement is considered concluded if the Supplier expressly confirms in writing (including via email) the acceptance of the order within 14 working days from the day of receiving the Order. Otherwise, the placed Order loses its validity upon the expiration of the aforementioned 14-day period. The possibility of implied acceptance of the Order by the Supplier, as referred to in Article 68<sup>2</sup> of the Civil Code, is excluded.
9. Information, price lists, brochures, and other advertising and commercial materials sent by the Supplier to an unspecified Buyer do not constitute an offer within the meaning of the Civil Code but merely an invitation to negotiate.
10. The delivery terms (or dates) indicated in the Supplier's offer are considered indicative and non-binding.
11. From the moment of confirming the acceptance of the order for execution by the Supplier, any cancellations, or changes to the orders by the Buyer will not be binding on the Supplier without prior written permission or subsequent written acceptance by the Supplier.
12. In the event of the completion of product deliveries based on the Buyer's Brief, the Buyer undertakes to purchase all Products manufactured by the Supplier to fulfill orders placed by the Buyer, provided that this agreement has not expired due to reasons attributable to the Supplier.
13. The content of the Product supply agreement consists solely of arrangements made in writing as well as ones included in these General Terms. The assessment of the correctness of the performance provided by the Supplier can only be based on these General Terms and the contents of written agreements between the parties.
14. Each order should specify at least:
  - a. Buyer's identification – company name, registered office, and address,
  - b. Quantities and types of cosmetic Products ordered,
  - c. Confirmation of price, order fulfillment date, and delivery terms,
  - d. Order placement date.
15. The delivery term for the first order of cosmetic Products is agreed upon each time by both parties and arises from the jointly agreed schedule; however, if not otherwise agreed, it cannot be shorter than 4 months. The first order should be initiated according to the agreed project schedule. The delivery term for each subsequent order, if not agreed otherwise, is a minimum of 8 (eight) weeks from the date of receiving the order, provided that the Supplier has stocks of unit packaging dedicated to the ordered products (excluding outer packaging, as defined by the Cosmetics Regulation) and raw materials included in the products ordered. In the event of a lack of packaging or/and raw material stocks in the Supplier's warehouse, the delivery term will depend on the

availability of packaging or/and raw materials and will be mutually agreed upon by the Supplier and the Buyer. The parties agree that the Supplier will provide minimum purchase quantities and delivery times for unit packaging and waiting times for the delivery of raw materials for the Products ordered by the Buyer.

16. In the event of ordering ready-made cosmetic Products from the Supplier's warehouse, the delivery term is up to 10 (ten) working days from the date of the release order, which can be placed via email.
17. A one-time order for individual cosmetic Products cannot be lower than the minimum batch size of the cosmetic Product. The Supplier has the right to refuse to prepare an offer and/or fulfill an order that does not meet the requirement of the minimum batch size.
18. The quantitative fulfillment of individual orders may deviate from their content within an acceptable tolerance margin of +/- 5%, which constitutes proper performance of the agreement by the Supplier.

#### **§ 4**

#### **Intellectual property**

1. The Supplier holds all and exclusive rights to the formulas and production technologies for each cosmetic Product.
2. The Buyer grants the Supplier permission to use graphic designs, to which the Buyer holds all and exclusive rights, according to the Buyer's choice and solely in connection with the execution of this Agreement.
3. The Buyer holds all and exclusive rights to the graphic designs decorating the packaging. The Buyer declares to be the owner of the trademarks of the cosmetic Products covered by the Agreement and assumes full responsibility for any infringement of third-party rights regarding the graphic design elements placed on the packaging, which have been submitted by the Buyer to the Supplier.
4. The Supplier may use the Buyer's trademarks for purposes directly related to fulfilling the provisions of this Agreement, as well as with the written consent of the client for marketing purposes, i.e., informing the public about its clients and projects. In case of doubt, the Supplier undertakes to submit a written request for permission for the specific use of trademarks.
5. Neither party has the right to use the other party's intellectual property without its consent.

6. The Supplier of cosmetic Products holds exclusive copyright to the formulas of these Products. In the event of the Buyer providing the full percentage composition of a new formulation, the copyright to that formula shall belong exclusively to the Buyer.
7. In the event of cooperation between the Supplier and the Buyer in jointly creating innovative formulas, each time the parties will establish the scope of rights granted to each party in a separate agreement.
8. The Buyer holds all copyright to the concepts and industrial property rights to labels and prints on the unit packaging of cosmetic Products, including, in particular, the trademarks and names used on them.

## **§ 5**

### **Duties of the Supplier**

1. The Supplier is responsible for producing cosmetic Products in accordance with the requirements of the Buyer and applicable legal regulations:
  - a. Cosmetics Regulation,
  - b. Act on Pre-packaged Goods of May 7, 2009 (Journal of Laws No. 91, item 740).
2. The Supplier does not fulfill orders that conflict with any provisions of universally applicable law.

## **§ 6**

### **Duties and responsibility of the Buyer**

1. The Buyer undertakes to provide the Brief for the cosmetic Product or choose a cosmetic semi-finished product from the Supplier's offer.
2. The Buyer commits to fulfilling the obligations arising from the project schedule in a timely manner, including particularly the specified project milestones. Failure to do so will be considered by the Supplier as a breach of the Buyer's obligations, entitling the Supplier to terminate the agreement with immediate effect, solely due to reasons on the Buyer's side.
3. In the event of a decision to change the design or colors of the packaging, the Buyer is obliged to accept the ordered and already produced cosmetic Products from the Supplier and to repurchase the packaging dedicated to the Buyer's cosmetic Products, provided that the purchased quantities are reasonable or result from minimum purchase batches offered by the packaging supplier.
4. In the event of termination of this Agreement between the parties or cessation of Product purchases, the Buyer is obliged to repurchase any surplus of raw materials, semi-

finished products, and packaging materials and packages (unless these raw materials cannot be used for the production of cosmetics for third parties – this will be decided by the Supplier), made for the production needs for the Buyer, provided that the purchased quantities are reasonable or result from minimum purchase batches offered by the suppliers of raw materials and packaging, and that this Agreement has not expired due to reasons on the Supplier's side.

5. If separate arrangements do not state otherwise, the Buyer is obliged to purchase and accept the ordered and produced cosmetic Products immediately after their production but no later than 14 days from the date the Supplier informs the Buyer that the Product is ready.
6. The Supplier reserves the right to charge the Buyer for the costs incurred by the Supplier for storing and warehousing the Products, starting from the day following the day specified in § 6 section 4 above, until the day of their actual collection by the Buyer.

## **§ 7**

### **Conditions of storage, delivery, and transportation**

1. The Buyer is obliged to ensure the following storage and transportation conditions (in case of collection by the Buyer) of cosmetic Products:
  - a. humidity up to 70%,
  - b. temperature from +5 °C to +25 °C, with transportation conditions always adjusted to the prevailing atmospheric conditions unless agreed otherwise.
2. The responsibility for demonstrating compliance with the above storage and transportation requirements (in the case of collection by the Buyer) of cosmetic Products lies solely with the Buyer.
3. Failure to meet the storage and transportation requirements of cosmetic Products or the Buyer's failure to demonstrate the above exempts the Buyer entirely from any warranty and guarantee claims.
4. The parties will determine the conditions of cosmetic Products delivery each time.
5. The Supplier will provide a VAT invoice and a waybill for each delivery. The necessity of preparing other documents may be subject to separate agreements between the Parties.
6. The collection of cosmetic Products will be confirmed by the Buyer by signing a delivery document or receipt protocol in the case of collection of the order by the Buyer.
7. Cosmetic Products will be packaged according to the packaging scheme agreed upon by the parties.

## § 8

### Prices, settlement method, payment

1. The price of cosmetic Products is determined through negotiations between both parties.
2. Detailed offers for cosmetic Products specify the parameters based on which they were prepared.
3. Agreed prices for products apply exclusively to the order for which they were established.
4. In the case of subsequent orders placed by the Buyer, the Supplier is entitled to update the prices of the Products.
5. The Buyer's failure to accept the updated prices of products will constitute a withdrawal from the contract by the Buyer.
6. Agreed prices do not include VAT, which will be added at the time of invoicing in accordance with applicable regulations.
7. Payments shall be made by bank transfer to the Supplier's specified account within **xxx days** from the date of receipt of a properly issued **VAT invoice or proforma invoice**.
8. Delay in payment of a properly issued VAT invoice will result in the Supplier charging interest for late payment in commercial transactions.
9. In the event of the Supplier's right to claim interest, the Buyer shall also pay, without objection, to the Supplier, upon the Supplier's first request, within 7 days from the date of receipt of the request, the amount of the claim referred to in the provision of Article 10 of the Act on Counteracting Excessive Delays in Commercial Transactions, including the amount of costs incurred for the recovery of receivables stipulated in the provision of Article 10(2) of the aforementioned Act.
10. The right to set-off shall belong to the Buyer only if the Buyer's receivable against the Supplier has been confirmed by a final court judgment or has been expressly acknowledged in writing by the Supplier. However, the Buyer shall not be entitled to set-off receivables acquired by bank transfer.
11. The Buyer is not entitled to withhold payments for any reason.
12. Regardless of the Buyer's instructions, payments shall be credited first towards the earliest due receivables. In the event of additional costs and interest on overdue receivables, the Supplier shall have the right, regardless of the Buyer's instructions, to apply payments first towards costs and interest, and finally towards the principal debt.
13. In the event of receiving information indicating a deterioration in the Buyer's solvency and/or creditworthiness, especially if the Buyer delays payment or an application for bankruptcy, restructuring, or arrangement proceedings has been filed against the Buyer, the Supplier may refrain from fulfilling concluded but unfulfilled contracts for the delivery

of cosmetic Products or may make their fulfillment dependent on the Buyer's immediate submission, within a time frame specified by the Supplier (both in terms of form and content), of securities or payment in advance as determined by the Supplier, and in case of failure to comply with such a request, without setting a further additional deadline, may withdraw from all or some of the supply contracts in whole or in part, at the Supplier's discretion. The Buyer shall not have any claims for damages against the Supplier in this regard.

14. In the event of the Supplier exercising the right of withdrawal for the reasons specified in section 12 above, the Buyer shall reimburse the costs and expenses incurred and documented by the Supplier. This does not affect the Supplier's right to pursue further claims for damages.

## **§ 9**

### **Quality acceptance, complaints, and warranties**

1. The Supplier provides a warranty for the cosmetic Products manufactured and sold under this Agreement for the period of cosmetic Product durability agreed upon with the Buyer, taking into account appropriate storage conditions.
2. In the case of collection by the Buyer or by a carrier hired by them, the Supplier shall not be liable, including liability under warranty or guarantees, for mechanical damage to the Products and damage resulting from improper unloading of the products. Additionally, the Supplier shall not be liable for damages resulting from improper storage of products by the Buyer or third parties, as well as their improper transportation (in the case of collection by the Buyer).
3. The Buyer has the right to report quantity discrepancies in products in originally sealed collective cartons within 5 (five) days from the date of delivery.
4. The Buyer shall report complaints in writing within 10 (ten) days from the date of discovering a nonconformity.
5. The basis for resolving complaints about products on the market will be confirmation of the presence of a defect in the archival sample stored in the Supplier's archive.
6. The Supplier is obliged to consider each complaint and provide a response to the Buyer within 14 (fourteen) days from the date of receiving the complaint, with the possibility of extending the response time if additional laboratory tests are necessary.
7. In the event of identifying defects in the cosmetic Products, the parties will establish further proceedings.
8. In cases where the Supplier questions the validity of the Buyer's allegations regarding defects in the cosmetic Products, the respective cosmetic Products (Buyer's archival



sample) will be subjected to a one-time examination by an independent research laboratory indicated by the Supplier. The cost of the examination shall be borne by the Party whose disadvantage is evidenced by the test results.

9. For selected products, the Supplier will prepare and provide the Buyer with a classification of cosmetic Product defects, specifying the types of defects and their permissible levels in the batch.

## **§ 10**

### **Responsibility of the Supplier**

1. Unless explicitly stated otherwise by mandatory legal provisions or provisions of these General Terms and Conditions (GTC), the liability of the Supplier is always based on the principle of fault and is limited solely to cases of intentional fault. This liability is always limited to damages that are normal, foreseeable, and a direct consequence of the Supplier's actions or omissions. Any further liability of the Supplier for non-performance or improper performance of the delivery contract, other than as provided for in the GTC and subject to mandatory legal provisions, is excluded. In no event does it include, in particular, indirect damages or loss of profits.
2. The provisions of § 10 section 1 above of these GTC apply accordingly to claims for damages other than those arising from non-performance or improper performance of the delivery contract, especially claims arising from unlawful acts, except for claims for liability for damage caused by a defective product and for personal injury.
3. To the extent that the liability of the Supplier is excluded or limited, such exclusion or limitation shall apply to the personal liability of statutory representatives, employees, and associates of the Supplier, as well as persons to whom the Supplier has entrusted the performance of an obligation.
4. The Supplier shall not be liable for any marketing claims regarding the operation or properties of the manufactured product, placed on the product or its packaging, used in product advertising campaigns, leaflets, etc., by the Buyer or at their explicit request, unless they directly result from the properties of the product clearly defined by the Supplier.

## **§ 11**

### **Force majeure**

1. The parties to this Agreement shall not be liable for non-performance or improper performance of the contract caused by "Force Majeure" events, i.e., events of a sudden, accidental, or natural nature that are neither avoidable nor foreseeable, including:
  - a. Catastrophic natural events (e.g., temperatures below -25 °C, abnormal snowfall, flood, earthquake, landslide, hurricane, gale-force winds, heavy rain, lightning, fire),
  - b. Acts of legislative and executive authority (e.g., expropriation, declaration of a state of emergency, declaration of a natural disaster, declaration of martial law),
  - c. Disruption of collective life (e.g., riots, street protests, strikes).
2. The party unable to fulfill the contract in whole or in part due to force majeure shall promptly notify the other party of the above circumstance. The notification should be in writing and delivered to the other party in such a way that they can become acquainted with its content, no later than within 10 (ten) days from the occurrence of force majeure, unless this condition persists for a longer period, preventing the affected party from providing proper notice to the other party. In such cases, the 10-day period shall be calculated from the event cessation date.

## **§ 12**

### **Duration and termination**

1. Each party has the right to terminate the Agreement in compliance with the three months' notice period, effective at the end of the calendar month.
2. Orders placed and confirmed on the terms set forth in this Agreement before the termination date of the Agreement will be fully executed by both Parties under the agreed conditions or in accordance with these GTC.
3. Each party has the right to terminate the concluded Agreement with immediate effect in the event of a material breach of essential provisions of the Agreement by the other party by submitting a written notice of termination to the other party. Each party may terminate the agreement with immediate effect only upon prior notice to the breaching party to cease the breaches and to comply with the provisions of the Agreement within 14 (fourteen) days from the date of receipt of the notice and failure of the breaching party to comply with the said notice within that period. In the event of immediate termination of the agreement, orders placed and confirmed pursuant to the terms of the concluded agreement before the date of the declaration of termination will be fully

executed by both Parties on the terms set forth in the concluded agreement or these GTC.

4. In the event of unjustified termination by the Buyer of the concluded agreement with immediate effect, the Supplier is entitled to charge a contractual penalty in the amount corresponding to 15% of the average annual turnover from the last year of cooperation, or the entire period of cooperation if it does not exceed one year.

### **§ 13**

#### **Final provisions**

1. In the event of any conflict or ambiguity between the provisions of these GTC and/or any other document, such conflict or ambiguity shall be resolved by giving priority in the following order:
  - a. any additional terms or guidelines agreed upon in writing,
  - b. the Order or Offer,
  - c. the GTC.
2. Any amendments to these GTC require written form under the penalty of invalidity.
3. The Supplier reserves the right to amend these GTC by posting new GTC on the website [www.nuco.pl](http://www.nuco.pl). The new GTC bind the Buyer thirty days after their publication.
4. Matters not regulated by these GTC shall be governed by the applicable provisions of the Polish law, in particular civil law, excluding the United Nations Convention on Contracts for the International Sale of Goods dated April 11, 1980, and the Convention on the Limitation Period in the International Sale of Goods dated June 14, 1974.
5. The competent court for resolving any disputes arising from contracts based on these GTC is the Polish common court competent locally and materially for the registered office of the Supplier. The law governing disputes related to the conclusion and performance of contracts for the delivery of Products is exclusively Polish law.
6. Transfer of rights and obligations arising from contracts for the delivery of Products concluded based on these GTC by the Buyer requires written consent from the Supplier.
7. Any invalidity of individual provisions of these GTC does not invalidate the remaining provisions, agreements, and contracts for the delivery of Products concluded based on them. Invalid provisions shall be replaced by valid provisions that best serve the economic purpose of the invalid provisions.

