

LOVEHONEY GROUP TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS

The following terms and conditions shall apply to any purchase order for goods placed by a Lovehoney Group entity (“**Lovehoney**”) with any third party (“**Supplier**”) unless these terms and conditions explicitly provide otherwise.

1 Definitions

In these Conditions, the following definitions apply:

“Affiliated Companies”	with respect to a person, another person, controlling, controlled by, or under common control with, such person. The term “ control ” with respect to a person means direct or indirect ownership of fifty percent (50%) or more of the voting securities of the entity or other power to direct or cause the direction of the management and policies of such person;
“Certification”	means a report from an independent third party laboratory confirming that the Goods comply with applicable statutory and regulatory requirements and substantiating the claims listed on the Order and any other report, declaration or statement required by law or regulation;
“Conditions”	these terms and conditions;
“Confidential Information”	has the meaning given in clause 8.1;
“Defect”	any breach, regardless of fault, of the representation and warranty given by the Supplier in clause 3.2 and clause 6; and “ Defective ” has a corresponding meaning
“Delivery Date”	the date specified for delivery of an Order or, if no date is specified, 30 days from the date of the Order.
“Disclosing Party”	has the meaning given in clause 8.1;
“Ethical Standards”	comprise the standards and principles set forth in the Supplier Code of Conduct of Lovehoney Group, available at https://www.lovehoneygroup.com/ ;
“Goods”	the goods (or any part of them) set out in the Order;
“Goods Specification”	any specification for the Goods, including any related plans and drawings, that is agreed in writing by Lovehoney and the Supplier;
“Lovehoney”	has the meaning given in the recitals;

“Order”	has the meaning given in clause 2.1;
“Party”, “Parties”	Lovehoney and/or the Supplier as the context requires;
“Recall Event”	the recall of a Product in a certain territory, in certain territories or worldwide or a scenario where the Product has to be recalled pursuant to the law of any country where the Product was sold;
“Receiving Party”	has the meaning given in clause 8.1;
“Remedial Action”	shall comprise the rejection, recall, return, repair and replacement of the Goods of the affected Order and any other Order, which, due to similar material, components or manufacturing process used, has a similar risk of Defects;
“Standards & Norms”	<ul style="list-style-type: none"> a) all standards and norms, including without limitation with regard to safety, environmental protection, product labelling and product quality, applicable to the Goods in China, Canada, the United States of America, Europe and Australia, b) the occupational safety law applicable to the manufacturing facility/-ies where the Order is performed, c) the Ethical Standards; and d) the standards and norms listed in Order, if any and provided that, in case of contradiction with any standard, norm or law pursuant to a), b) and/or c) such latter standard, norm or law shall prevail; <p>all of a) to d) in the version applicable at the time of manufacturing of the respective Goods;</p>
“Supplier”	has the meaning given in the recitals;
“Warranty Period”	for the Goods (including without limitation for repaired and replaced Goods as a separately running warranty period) shall be twelve (12) months from the date of acceptance of the Goods by the Buyer or, with respect to components of the Goods procured by the Supplier from a third party, the warranty period granted by such third party, whatever is longer.

2 Basis of the Order

- 2.1 These Conditions delivery of Goods by the Supplier shall govern the order by Lovehoney (the **“Order”**).
- 2.2 These Conditions shall supersede, replace, and prevail over, Supplier’s general terms and conditions, and any act or omission of Lovehoney in connection with the Order shall always be understood and interpreted in such way. No terms or conditions endorsed on, delivered with, or contained in Supplier's quotation, sales conditions, confirmation of order, specification or other document shall form part of the Order except to the extent that Lovehoney otherwise

agrees in writing. If the Supplier and Lovehoney have jointly signed a supply agreement these terms and conditions shall not apply to the extent such supply agreement contains provisions that cover the subject matter of the provisions of these Conditions.

3 Supply of Goods

3.1 If the Supplier fails to deliver any of the Goods by the Delivery Date, the Customer shall (without prejudice to its other rights and remedies) be entitled at Lovehoney's sole discretion:

3.1.1 to terminate the Order in whole or in part; and/or

3.1.2 to purchase the same or similar Goods from a supplier other than the Supplier; and/or

3.1.3 to recover from the Supplier all costs and losses resulting to Lovehoney, including the amount by which the price payable by Lovehoney to acquire those Goods from another supplier exceeds the price payable under the Order and any loss of profit.

3.2 The Supplier represents and warrants to Lovehoney that the Supplier complies with the Ethical Standards and that the Goods (and, where appropriate, their product packaging and bulk packaging) shall during the Warranty Period:

3.2.1 fully correspond with their description, advertisements, brochures and samples as well as with any applicable Goods Specification;

3.2.2 be of satisfactory quality (within the meaning of the Sale of Goods Act 1979, if applicable) and fit for any purpose held out by the Supplier or made known to the Supplier by Lovehoney, expressly or by implication, and in this respect Lovehoney relies on the Supplier's skill and judgment;

3.2.3 be safe to use and free from defects in design, materials, components and workmanship;

3.2.4 comply with all applicable statutory requirements and the Standards & Norms; and

3.2.5 have the required Certification which shall be made available to Lovehoney upon request).

3.3 If the Supplier is not based in any country of Europe and such country (or the European Union) provides for product safety, product disposal, product compliance or otherwise product-related laws or regulations, the Supplier hereby represents and warrants that it complies with such laws and regulations to the extent applicable to it and that it has an "Authorized Representative", "Responsible Person" or other representative as may be required under such laws and regulations and which, for the avoidance of doubt, is not Lovehoney.

3.4 Upon request by Lovehoney, the Supplier shall provide to Lovehoney copies of such technical documents (in English language, if possible) regarding the Goods that are necessary for Lovehoney to comply with a request by a market surveillance authority or any other authority.

4 Lovehoney non-performance remedies

- 4.1 If the Supplier has delivered Goods that do not comply with the representations and warranties set out in clause 3.2 then, without limiting its other rights or remedies, Lovehoney shall have one or more of the following rights, whether or not it has accepted the Goods:
- 4.1.1 to reject the Goods (in whole or in part) whether or not title has passed and to return them to the Supplier at the Supplier's own risk and expense and to claim full repayment of the price of the rejected Goods (if paid);
 - 4.1.2 to require the Supplier to repair or replace the Goods at the Supplier's own risk and expense or to grant a credit note in the amount of the purchase price of the affected Goods; and
 - 4.1.3 to claim damages for any additional costs, loss or expenses incurred by Lovehoney or any of its Affiliated Companies including but not limited to any repackaging and shipment costs as well as consumer claims.
- 4.2 In case of a Recall Event, Lovehoney may take, at its sole discretion, the Remedial Action(s). The Supplier shall indemnify and hold harmless Lovehoney and its Affiliated Companies from and against any claims, costs or damages in connection with the Remedial Action. The Supplier shall obtain Lovehoney's prior written approval before making any statements to the public or a Government Body concerning Defects, a recall or any related matters.
- 4.3 Lovehoney's rights under these Conditions are in addition to its rights and remedies implied by statute and common law.

5 Charges and payment

- 5.1 The price for the Goods as agreed by the Parties shall be inclusive of the costs of packaging, unless otherwise agreed in writing by Lovehoney. No extra charges shall be effective unless agreed in writing and signed by Lovehoney.
- 5.2 The Supplier shall invoice Lovehoney on or at any time after delivery or placing the Goods at the disposal of Lovehoney depending on the agreed Incoterm. Lovehoney shall pay the invoiced amounts within thirty (30) days of the end of the month of receipt.

6 Intellectual property rights

In respect of the Goods the Supplier warrants that it has full clear and unencumbered title to all such items, and that on delivery, it will have full and unrestricted rights to sell and transfer all such items to Lovehoney. The Supplier hereby grants Lovehoney and its Affiliated Companies a worldwide, perpetual, non-exclusive, sub-licensable and royalty-free license to use any intellectual property, know-how and documentation with respect to the Goods.

7 Indemnity

- 7.1 The Supplier shall defend, hold harmless and indemnify Lovehoney and its Affiliated Companies from and against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and

all interest, costs resulting from product recalls or product safety measures, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable professional costs and expenses) suffered incurred by Lovehoney or any of its Affiliated Companies as a result of or in connection with:

- 7.1.1 any violation of any of the Conditions, any Order or the law by the Supplier, including without limitation the failure to deliver the Goods by the Delivery Date;
- 7.1.2 any claim made against Lovehoney or any of its Affiliated Companies for actual or alleged infringement of a third party's intellectual property right arising out of, or in connection with, the manufacture, supply, sale, offer to sale or other use of the Goods to the extent that the claim is attributable to the acts or omissions of the Supplier, its Affiliated Companies, their employees, agents or subcontractors;
- 7.1.3 any claim made against Lovehoney or any of its Affiliated Companies by a third party including without limitation for death, personal injury or damage to property arising out of, or in connection with, Defects in Goods, to the extent that the defects in the Goods are attributable to the acts or omissions of the Supplier, its Affiliated Companies, their employees, agents or subcontractors; and
- 7.1.4 any claim made against Lovehoney or any of its Affiliated Companies by a third party arising out of or in connection with the supply of the Goods, to the extent that such claim is based on any product liability law and/or arises out of the breach, negligent performance or failure or delay in performance of the Order by the Supplier, its employees, agents or subcontractors.

7.2 This clause shall survive performance or termination of the Order.

8 Confidentiality

8.1 A Party ("**Receiving Party**") shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to, or happened across by, the Receiving Party and which belong to the other Party ("**Disclosing Party**"), its employees, agents or subcontractors, and any other confidential information concerning the Disclosing Party's business, its products and services which the Receiving Party may obtain ("**Confidential Information**"). The Receiving Party shall only disclose such Confidential Information to those of its employees, agents and subcontractors who need to know it for the purpose of discharging the Receiving Party's obligations under these Conditions, and shall ensure that such employees, agents and subcontractors comply with the obligations set out in this clause as though they were a Party. The Receiving Party may also disclose such of the Disclosing Party's Confidential Information as is required to be disclosed by law, any governmental or regulatory authority or by a court of competent jurisdiction and shall give prior notice of such disclosure to the Disclosing Party where possible.

8.2 This clause shall survive performance or termination of the Order.

9 Term and termination

- 9.1 Without limiting its other rights or remedies, Lovehoney may terminate the Order with immediate effect by giving written notice to the Supplier if the Supplier commits a material breach of any of the Conditions which is not capable of remedy or, if capable of remedy, remains unremedied for a period of fourteen (14) days following the occurrence thereof and the giving of a written notice by Lovehoney.
- 9.2 Either Party may terminate the Order in the event that the other Party's financial position deteriorates to such an extent that in the Party's opinion the other Party's capability to adequately fulfil its obligations under the Order has been placed in jeopardy.
- 9.3 Clauses which expressly or by implication survive termination of the Order shall continue in full force and effect.

10 General

10.1 Entire Terms and Conditions

These Conditions herein constitute the entire agreement between the Parties and supersedes and extinguishes all previous agreements between them, whether written or oral, relating to its subject matter including any terms provided by the Supplier.

10.2 Variation and written form

Except as set out in these Conditions, no variation, including the introduction of any additional terms and conditions, shall be effective unless it is agreed in writing and signed by Lovehoney. Any reference made in these Conditions to writing or written includes documents signed by simple e-signature and e-mails

10.3 Time

Unless stated otherwise, time is of the essence of any date or period specified in these Conditions or the Order in relation to the Supplier's obligations only.

10.4 Governing law

These Conditions, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, and construed in accordance with the laws applicable at the seat of Lovehoney without reference to conflict of law rules thereof.

10.5 Jurisdiction

Each Party irrevocably agrees that the courts of competent at the seat of Lovehoney shall have non-exclusive jurisdiction to settle any dispute or claim arising out of or in connection with these Conditions or its subject matter or formation (including non-contractual disputes or claims).