



## DFS MERCHANDISING TERMS & CONDITIONS

These Merchandising Terms and Conditions are incorporated into and govern every Contract for DFS's purchase of Deliverables.

<b>1. DEFINITIONS</b>	<b>"Affiliates"</b>	means entity controlling, controlled by, or under common control with another entity. "Control" means direct or indirect ownership of more than 50% of the voting interests, or the power to direct or cause the direction of the management and policies of an entity.
	<b>"Confidential Information"</b>	means any non-public information disclosed by one party to the other during the Contract term, regardless of format. This excludes information that is publicly known, lawfully already in the recipient's possession, or independently developed by the recipient.
	<b>"Contract"</b>	means any agreement between DFS and the Counterparty, whether written or verbal, for the supply of Deliverables. This can include, but is not limited to: <ul style="list-style-type: none"><li>a) DFS template contract</li><li>b) Purchase orders and/or equivalent</li><li>c) Statement of work documentation and/or an equivalent</li><li>d) Requests for proposal</li><li>e) Binding letters of intent.</li></ul>
	<b>"Counterparty"</b>	means the party supplying the Deliverable to DFS under a Contract.
	<b>"Data Controller"</b>	means the Party that determines the purposes for which Personal Information is processed.
	<b>"Data Processor"</b>	means the Party who processes Personal Data on behalf of the Data Controller.
	<b>"Data Protection Legislation"</b>	means all applicable laws, rules and regulations concerning data protection and cybersecurity. This includes but is not limited to the EU General Data Protection Regulation (GDPR) and similar laws in other relevant jurisdictions,
	<b>"Deliverables"</b>	means any Goods, Services or Works provided by the Counterparty to DFS under a Contract.
	<b>"DFS"</b>	refers to the DFS entity and/or its Affiliates (if any) named in each Contract.
	<b>"Effective Period"</b>	means the period during which the Contract is in effect. If not specified in the Contract, the Effective Period will be determined by these MTC.
	<b>"Fees"</b>	means the amount DFS will pay to the Counterparty for the Deliverables, as agreed in the Contract.
	<b>"Force Majeure Event"</b>	means any event or occurrence which prevents or delays a Party from performing any or all of its obligations under a Contract and which arises directly from, or is directly attributable to acts, events, omissions or accidents which are unforeseeable and beyond the reasonable control of the Party so prevented or affected, and may include acts of God, governmental act, war, fire, flood, explosion or civil commotion.
	<b>"Goods"</b>	refers to any tangible items purchased by DFS under a Contract, including merchandise, inventory, products, furniture, and fixtures.
	<b>"Intellectual Property (IP)"</b>	means all forms of intellectual property rights, whether registered or unregistered. This includes designs, design rights, trademarks, trade names, copyright, models, patents, databases, logos, distinctive designs, domain names and any other similar rights.
	<b>"Party or Parties"</b>	refers to either DFS or the Counterparty, or both collectively.
	<b>"Personal Data"</b>	means data relating to a living individual who is or can be identified either from the data or from the data in conjunction with other information that is in, or is likely to come into, the possession of the Data Controller.
	<b>"Representatives"</b>	Means a party's affiliates, directors, officers, employees, agents, advisors, contractors, and subcontractors who have a legitimate need to access Confidential Information to perform their Contract-related duties.
	<b>"Services"</b>	refers to any non-tangible service provided by the Counterparty to DFS under a Contract, excluding the provision of physical Goods.



	<p><b>“MTC”</b> Means these Standard Merchandise Terms and Conditions. DFS may update these terms, and such updates will apply to the fullest extent permitted by law.</p> <p><b>“Works”</b> refers to any and deliverables created as a result of providing the Services, such as reports, recommendations, specifications, drawings, technical data, sketches and any information prepared or provided to DFS under a Contract.</p>
<b>2. ENGAGEMENT OF COUNTERPARTY</b>	<p>a) These MTC govern the rights and obligations of both Parties under a Contract.</p> <p>b) DFS makes no guarantees to the Counterparty regarding:</p> <ul style="list-style-type: none"><li>(i) minimum payment amounts</li><li>(ii) minimum order quantities</li><li>(iii) minimum contract duration.</li></ul>
<b>3. CONTRACT TERM</b>	<p>a) <b>Effective Period:</b> Each Contract is binding on both Parties during its Effective Period.</p> <p>b) <b>Default Effective Period:</b> If a Contract does not specify an Effective Period, the Effective Period for that Contract:</p> <ul style="list-style-type: none"><li>(i) <b>Goods:</b> the Effective Period ends upon successful delivery of and the Goods.</li><li>(ii) <b>Services:</b> the Effective Period lasts for 2 years, starting from the date the Contract is signed or until the Counterparty has fully completed its obligations under the Contract, whichever comes first.</li></ul>
<b>4. FEES AND PRICING</b>	<p>a) <b>Payment for Deliverables:</b> DFS will pay the Fees as outlined in the relevant Contract for the provision of Deliverables by the Counterparty.</p> <p>b) <b>Fees for Goods:</b> When Goods are being supplied:</p> <ul style="list-style-type: none"><li>(i) the applicable Fees will be clearly stated in the Contract;</li><li>(ii) unless explicitly stated otherwise, the Fees include all applicable customs duties, packaging, marking, handling, freight and delivery, insurance and other associated costs;</li><li>(iii) the Fees are fixed and cannot be changed unless agreed upon in writing by both Parties; and</li><li>(iv) the Fees include all applicable taxes except for taxes that the Counterparty is legally required to collect from DFS. Such taxes, if any, will be itemized separately on the Counterparty's invoice and paid by DFS, subject any applicable tax exemptions.</li></ul> <p>c) <b>Retail Pricing:</b> DFS has sole discretion in determining the retail and resale price of the Goods.</p> <p>d) <b>Fee Reductions:</b> The Counterparty must promptly notify DFS in writing of any price reductions for Goods covered by a Contract. Any price reductions announced after the Counterparty accepts of a Contract but before DFS has made payment will be automatically applied to that Contract. The adjusted amount will be reflected in the next invoice or issued as a credit note. DFS may also offset the credit amount against any payment due to the Counterparty if so, agreed between the Parties.</p>
<b>5. FEES</b>	<p>a) <b>Invoicing for Goods:</b> When supplying Goods, the Counterparty must invoice DFS for the agreed-upon Fees within the timeframe specified in the relevant Contract issued by DFS.</p> <p>b) <b>Invoicing for Services:</b> When supplying Services, the Counterparty must invoice DFS for the agreed-upon Fees upon completion of the Services.</p> <p>c) All invoices must include all applicable costs, fees and taxes related to the Deliverables. Invoiced amounts are considered final.</p> <p>d) <b>Payment Timing:</b> DFS will pay all properly invoiced and undisputed amounts within 60 days after the month-end in which the invoice was issued.</p> <p>e) <b>Invoicing Method:</b> Unless otherwise agreed in writing, the Counterparty must submit all invoices electronically through DFS's designated platform (as communicated during the vendor onboarding process). All invoices must comply with DFS's invoicing policies.</p> <p>f) <b>Currency:</b> All payments will be made in US dollars unless otherwise agreed upon in writing.</p> <p>g) <b>Invoice Disputes:</b> If DFS disputes an invoice, it will provide written notice to the Counterparty within 14 days of the payment due date, detailing the disputed items. Both Parties will promptly and in good faith discuss the dispute and aim to resolve it within 30 days of notice. The Counterparty must continue performing its contractual obligations even during a payment dispute.</p> <p>h) <b>Set-Off Rights:</b> DFS reserves the right to offset any amount owed to it by the Counterparty under any existing Contract between the Parties, including Contracts with DFS Affiliates. This right is in addition to any other remedies available to DFS.</p>



<b>6. EXPENSES</b>	<p>a) <b>General Rules:</b> Unless otherwise agreed upon in writing, the Counterparty is solely responsible for all expenses incurred in connection with providing the Deliverable to DFS.</p> <p>b) <b>Reimbursement:</b> In cases where DFS agrees in writing to reimburse the Counterparty for specific expenses, the Counterparty must submit supporting documentation to DFS within 14 days of the end of the month in which the expenses were incurred, or within 30 days of the Contract's termination (whichever is earlier). Reimbursement is contingent upon DFS's prior written approval and satisfaction with the document provided.</p>
<b>7. CONTRACT ACCEPTANCE</b>	Even if a formal Contract document is not signed, the Counterparty's delivery of any portion of conforming Deliverables to DFS will be considered unconditional acceptance of the Contract terms.
<b>8. COUNTERPARTY REPRESENTATIONS &amp; WARRANTIES</b>	<p>a) The Counterparty represents, warrants and commits to the following:</p> <ul style="list-style-type: none"><li>(i) it has the full legal capacity, power and authority to enter into and be bound by this Contract.</li><li>(ii) this Contract represents a legal, valid and binding obligation and does not conflict with any other agreement, judgment or court order to which the Counterparty is subject.</li><li>(iii) it will comply with all applicable international and domestic laws, regulations and legislation relevant to both its business operations and the Deliverable. This includes obtaining and maintaining all necessary regulatory approvals, licenses, consents, rights, and permits throughout the Contract term.</li><li>(iv) It will perform its contractual obligations with the level of care, skill and diligence expected within its profession and industry.</li><li>(v) neither Counterparty, its Affiliates, nor (to its knowledge), any of their directors, officers, employees, or suppliers are (a) directly or indirectly owned or controlled by anyone on the Specially Designated Nationals and Blocked Persons List or the Consolidated Sanctions List (collectively, the "SDN List") maintained by relevant governmental bodies (included but not limited to the United Nations and the US Office of Foreign Assets Control, nor (b) directly or indirectly owned or controlled by anyone located, organized, or residing in a sanctioned country or territory;</li><li>(vi) it will immediately notify DFS in writing if the Counterparty, its Affiliates, or (to its knowledge) any of their directors, officers, employees, agents, or suppliers become directly or indirectly owned or controlled by anyone: (a) listed on the SDN List, or (b) located, organized, or residing in a sanctioned country or territory.</li></ul> <p>b) For this Section, "person" refers to either an individual or a legal entity.</p>
<b>9. WARRANTIES ON DELIVERABLES</b>	<p>a) <b>Counterparty Warranties:</b> The Counterparty warrants that all Deliverables will:</p> <ul style="list-style-type: none"><li>(i) <b>Quality and Compliance</b> be free from defects, fit for their intended purpose, comply with all applicable laws and regulations, and conform to agreed-upon specifications and are free and clear of any liens, security interests or other encumbrances.</li><li>(ii) <b>Labeling and Shelf Life:</b> have accurate product labels, comply with labeling laws, and have at least 18 months of shelf life upon delivery to DFS.</li><li>(iii) <b>Intellectual Property:</b> do not infringe on any third-party intellectual property rights, privacy rights, or constitute libel. This warranty does not apply to infringement or libel caused by materials DFS provided to the Counterparty.</li><li>(iv) <b>Services Warranties:</b> if the Deliverable is a Service, the Counterparty warrants that it will use due care in selecting and supervising its personnel. If DFS deems an employee unfit, the Counterparty will remove them from the assignment. On-site staff will comply with DFS's health, safety, and security regulations, and will not jeopardize DFS's business licenses or permissions.</li></ul> <p>b) <b>DFS Remedies:</b> If a Deliverable is non-conforming, DFS may, in addition to other legal or contractual remedies, return or reject the Deliverable at the Counterparty's expense for correction, replacement or credit, as DFS may direct.</p> <p>c) <b>Survival of Warranties:</b> These warranties remain in effect regardless of delivery, inspection, acceptance or payment by DFS.</p>
<b>10. GOODS AS DELIVERABLES</b>	<p>a) <b>Delivery Terms:</b> Delivery terms and timelines, which are crucial to the agreement, will be specifically defined in each Contract.</p> <p>b) <b>Risk and Title:</b> Unless otherwise agreed in writing, risk and title to the Goods transfer from the Counterparty to DFS upon DFS's physical receipt of the Goods.</p> <p>c) <b>Packaging:</b> All Goods must be packed according to DFS's reasonable instructions. If no instructions are provided, packaging must be sufficient to ensure the Goods arrive undamaged.</p> <p>d) <b>Inspection and Rejection:</b> DFS has the right to inspect the Goods upon or after delivery for up to 180 days. DFS may reject any or all Goods deemed non-conforming or defective.</p> <p>e) <b>DFS Options for Rejected Goods:</b> If DFS rejects any portion of the Goods, it has the right, upon written</p>



	<p>notice to Counterparty, to:</p> <ul style="list-style-type: none"><li>(i) cancel the entire order of Goods under the relevant Contract;</li><li>(ii) accept the Goods at a reasonably reduced Fees; or</li><li>(iii) reject the Goods and demand replacements.</li></ul> <p>f) <b>Substituted Goods:</b> The Counterparty may not deliver substitute Goods without DFS's express consent.</p> <p>g) <b>Replacement of Non-Conforming Goods:</b> If DFS requires replacement of non-conforming Goods, the Counterparty must promptly replace them at its own expense, including all related costs like return shipping and delivery of replacement.</p> <p>h) <b>Failure to Replace:</b> If the Counterparty fails to replace defective Goods promptly, DFS may purchase replacements from a third party and charge the Counterparty for the cost. DFS may also terminate the Contract for cause as outlined in Section 17. DFS's inspection or other actions do not diminish the Counterparty's obligations, and DFS retains the right to conduct further inspections after the Counterparty has taken remedial actions.</p> <p>i) <b>Defects, Recalls, and Rework:</b> If any Goods are found to be defective, deficient, or non-compliant by either party or a governmental agency, requiring rework or recall, both parties will promptly communicate and cooperate to implement a mutually agreeable solution. However, this does not prevent DFS from taking independent corrective action (at the Counterparty's expenses) and required by law or regulation. The Counterparty will bear all reasonable expenses associated with any recall or rework unless otherwise agreed upon in writing.</p>
<b>11. SERVICES SUPPLIED AS DELIVERABLES</b>	<p>a) <b>On-Site Staff:</b> When a Deliverable involves Counterparty staff working at DFS premises:</p> <ul style="list-style-type: none"><li>(i) <b>Underperformance:</b> if DFS reasonably determines that the Counterparty's staff are significantly underperforming, DFS may issue a written notice requesting their replacement or removal at the Counterparty's expense. The Counterparty will have 30 days from the notice date to address the underperformance.</li><li>(ii) <b>Re-allocation:</b> if the Counterparty needs to reassign a team member from the DFS project to another project, they must provide 30 days' written notice to DFS. Only one such re-allocation is permitted within any 6-month period, unless otherwise agreed upon in writing.</li><li>(iii) <b>Vacation Coordination:</b> The Counterparty must coordinate staff vacations with DFS at least 30 days in advance to minimize disruptions to project timelines. Staff may not take more than 3 consecutive vacations without DFS's express written consent.</li></ul> <p>b) <b>Warranty:</b> The Counterparty warrants the "Works" (the results of the Services) against defects in workmanship and materials for 12 months from the date of completion and acceptance by DFS.</p> <p>c) <b>Delivery Milestones and Liquidated Damages:</b> If a Contract includes pre-agreed delivery milestones:</p> <ul style="list-style-type: none"><li>(i) <b>Impact on Delays:</b> The Counterparty acknowledges that delays can significantly impact DFS's operations. Therefore, liquidated damages (not penalties) may be assessed as agreed upon in the Contract. These liquidated damages replace all other potential damages arising the delay.</li><li>(ii) <b>Liquidated Damages Calculation:</b> If liquidated damages are not pre-agreed, a 1% charge (of the price of the specific Deliverable) will be applied for each calendar day of delay, up to a maximum of 10% of the total Fees payable under the Contract. Liquidated damages accrue daily until the delayed Deliverable is completed, up to a maximum of 30 calendar days. The Counterparty may recoup assessed liquidated damages by accelerating progress on future Deliverables under the same Contract and meeting the final project completion date. Both Parties agree that these liquidated damages calculations are reasonable considering the potential disruption to DFS's business, including retail sales, additional costs incurred by DFS, and other losses due to the delay.</li><li>(iii) <b>DFS's Options After 30 Days of Delay:</b> If the Deliverables are not completed within 30 days of the missed milestone, DFS has the option, without incurring additional expense, to:<ul style="list-style-type: none"><li>1. Immediately terminate the Contract and claim damages.</li><li>2. Instruct the Counterparty to continue working diligently on the Deliverable until completion and acceptance by DFS or until DFS terminates the Contract.</li></ul></li></ul> <p>d) <b>Set-Off Rights:</b> DFS may deduct the liquidated damages amount from invoices issued by the Counterparty under the Contract.</p> <p>e) No liquidated damages will be applied if the delay is solely and directly caused by DFS.</p>



<b>12. INVENTORY MANAGEMENT AND RETURNS</b>	<p>a) <b>Counterparty's Responsibilities:</b> The Counterparty shall:</p> <p>(i) Accept returns of Goods, Ex-Works (EXW) Incoterms 2020, under the following circumstances:</p> <ol style="list-style-type: none"><li>1. goods returned by DFS customers under DFS's customer return policy (if any) that have since been discontinued by the Counterparty;</li><li>2. goods damaged upon arrival at the designated delivery point;</li><li>3. goods that do not meet applicable legal and regulatory requirements;</li><li>4. goods that are expired or have less than 6 months of shelf life remaining at the time of DFS's return request.</li></ol> <p>(ii) Provide Return Authorizations for discontinued, damaged, or non-compliant or customer-returned Goods. The Counterparty is also responsible for coordinating and paying for the shipping of these returned Goods, unless they are designed as "Destroy in Field" (DIF). If the Goods are DIF, the Counterparty is responsible for paying the destruction costs.</p> <p>b) <b>Return Process and Costs:</b> Once the Parties agree on the return of inventory, the Counterparty is responsible for organizing the return shipment and paying all associated costs within 30 days. If the Counterparty fails to comply with this provision, DFS will destroy the Goods, and the Counterparty will be responsible for the destruction costs.</p>
<b>13. GOODS RECALLS</b>	<p>a) This Section when a product recall is necessary to:</p> <p>(i) a mandate from relevant authorities; or</p> <p>(ii) a voluntary recall initiated by the Counterparty.</p> <p>b) <b>Goods Recall Notice:</b> If a recall is required, the Counterparty must promptly issue a written "Goods Recall Notice" to DFS. This notice must specify the affected product(s) and the reason for the recall.</p> <p>c) <b>DFS Actions and Cooperation:</b> Upon receiving the Goods Recall Notice, DFS will immediately remove the affected products from its Point of Sale. Both Parties will then cooperate to manage the return of the recalled products to the Counterparty.</p> <p>d) <b>Costs and Credit:</b> The Counterparty is responsible for issuing a credit note to DFS for the value of the recalled products and will bear all costs associated with the recall.</p> <p>e) <b>Voluntary Recalls and Authority Notification:</b> For recalls voluntarily initiated by the Counterparty, both Parties will work together to determine if notification to the relevant authorities is required and, if so, which party will be responsible for making notification.</p>
<b>14. ANCILLIARY SUPPORT</b>	<p>a) To assist DFS in retailing the Goods, DFS may request, and the Counterparty may agree to provide various support services (directly or indirectly through funding). These "Ancillary Support Services" can include, but are not limited to, providing personnel, marketing assistance, store development and supply-chain related resources.</p> <p>b) If the Ancillary Support Services involve the Counterparty providing funding to DFS, both Parties agree that it is in their best interest to formalize this funding arrangement in a written agreement. The Parties will negotiate and execute such an agreement promptly and in good faith.</p> <p>c) If no formal written agreement exists, DFS has the right to regularly invoice the Counterparty for the proportionate share of funding that DFS had utilized on the Counterparty's behalf. These invoices are payable by the Counterparty within 45 days of the invoice date.</p>



<b>15. INTELLECTUAL PROPERTY (IP)</b>	<p><u>Goods as Deliverables</u></p> <ul style="list-style-type: none"><li>a) <b>Ownership of existing IP:</b> Unless stated otherwise in these MTC, any IP owned by a Party before the Contract starts and made available to the other Party under the Contract, remains the property of the original owner (or its licensors).</li><li>b) <b>Transfer of Ownership:</b> Section 15.a) does not apply if the Contract specifically states that ownership of the IP is to be transferred to the other Party, or that the other Party will be granted a license or right to use the IP after the Contract ends.</li><li>c) <b>Restrictions on Use:</b> Neither Party may use, or allow others to use, the other Party's IP (or their Affiliates' IP), without explicit prior written consent from the IP owner.</li><li>d) <b>License Granted to DFS:</b> Unless otherwise agreed, the Counterparty grants DFS and its Affiliates a non-exclusive, perpetual, sublicensable, assignable, worldwide, royalty-free license to use and exploit the Counterparty's IP as needed to fully benefit from the Contract.</li></ul> <p><u>All Deliverables (Goods and Services)</u></p> <ul style="list-style-type: none"><li>e) <b>Ownership of Newly Created IP:</b> Unless specified otherwise in Section 15. f), any IP created by a Party during the Contract term belongs unconditionally and immediately to that Party upon creation.</li><li>f) <b>Commissioned Works:</b> If DFS requests the Counterparty to create new IP as part of the Contract, the following applies:<ul style="list-style-type: none"><li>(i) the Counterparty acknowledges that this new IP is created for DFS's benefit (work-for-hire), and that DFS owns this IP. All rights, titles, and interest in this IP are automatically transferred to DFS;</li><li>(ii) the Counterparty will cooperate fully with DFS to ensure DFS's ownership of the new IP, including formally assigning all rights to DFS.</li></ul></li></ul> <p><u>Services as Deliverables</u></p> <ul style="list-style-type: none"><li>g) <b>Ownership of Works:</b> Unless otherwise agreed in writing, neither Party has any claim to the other party's IP or goodwill. Parties may only use each other's IP as specified in the Contract or with explicit written permission.</li><li>h) <b>Use of Counterparty's Pre-Existing IP:</b> If the Counterparty uses its own pre-existing IP for a Deliverable (and this IP is explicitly agreed <i>not</i> to be part of the final work product), the Counterparty guarantees:<ul style="list-style-type: none"><li>(i) it owns the IP outright and its use does not infringe on any third-party IP rights.</li><li>(ii) it grants DFS a perpetual, transferable, non-exclusive, royalty-free, sublicensable, assignable, worldwide license to use this IP in under the terms of the Contract.</li><li>(iii) it will indemnify and hold DFS (and its employees, affiliates and agents) harmless from any claims arising from alleged infringement of third-party IP rights by the Counterparty's IP.</li></ul></li></ul>
<b>16. DATA PROTECTION AND PRIVACY</b>	<ul style="list-style-type: none"><li>a) <b>Counterparty's Obligations for Handling Personal Data:</b> If the Counterparty collects, stores, has access to, or processes any Personal Data, it agrees to:<ul style="list-style-type: none"><li>(i) comply fully with all applicable Data Protection Legislation at all times;</li><li>(ii) process Personal Data provided by DFS, or collected on behalf of DFS, solely to fulfil its contractual obligations. The Counterparty must not transfer, share or grant access to any Personal Data to any third party without prior written authorization from DFS;</li><li>(iii) implement and maintain robust security measures to protect the confidentiality and security of Personal Data, adhering to Data Protection Legislation and industry best practices.</li></ul></li><li>b) <b>Counterparty's Warranties for Data Transferred to DFS:</b> For any Personal Data transferred by the Counterparty to DFS, the Counterparty guarantees that it has the legal right to provide that data to DFS for processing under the Contract. The Counterparty is responsible for obtaining all necessary consents and providing all required notices as mandated by Data Protection Legislation.</li><li>c) <b>Data Processing Agreement:</b> If, during the Contract term, it becomes apparent that the Counterparty is acting as a Data Processor and DFS as a Data Controller, both Parties agree to execute a data processing agreement before any processing of Personal Data begins. DFS will provide this data processing agreement.</li></ul>





<b>17. CHANGE REQUEST</b>	<p>a) <b>Change Orders:</b> DFS reserves the right, at any time, to issue change orders or addendums that modify any aspect of the Deliverables to be provided.</p> <p>b) <b>Counterparty's Responsibilities:</b> Where DFS issues a change order or addendum, the Counterparty must inform DFS of any resulting impact on the project timeline or cost within the timeframe specified by DFS in the change orders.</p> <p>c) <b>Payment for Changes:</b> DFS will compensate the Counterparty for any agreed-upon changes as outlined in Section 5. The payment amount for these changes must be agreed upon in writing by both Parties within 30 days of DFS receiving the Counterparty's proposed costs adjustment. If no agreement is reached within this timeframe, the payment amount will be determined using prevailing industry rates, subject to reasonable adjustment by DFS.</p>
<b>18. TERMINATION</b>	<p>a) <b>Termination for Cause:</b> Either Party may immediately terminate a Contract by giving written notice to the other Party if the other Party:</p> <ul style="list-style-type: none"><li>(i) commits a material breach of the Contract in a way that cannot be fixed within 14 days or causes irreparable harm to the non-breaching Party;</li><li>(ii) commits a material breach of the Contract in a way that could be fixed within 14 days but fails to do so;</li><li>(iii) becomes insolvent, files for bankruptcy or has bankruptcy proceedings filed against it (or similar debt relief actions), or has its assets or properties seized in a way that significantly hinders its ability to fulfil its obligations under the Contract; or</li><li>(iv) experiences a Force Majeure event that continues for 30 days (as defined in Section 27).</li></ul> <p>b) <b>Termination Without Cause by DFS:</b> DFS may terminate any Contract without cause by giving 30 days' written notice. Upon termination, the Counterparty will only be paid for completed and accepted Deliverables. This does not affect rights accrued before termination or the right to seek damages for pre-termination breaches.</p>
<b>19. CONSEQUENCES OF TERMINATION</b>	<p>a) <b>Termination of Other Contracts:</b> If a Contract is terminated early under the provisions of Section 18, all other active, unfulfilled Contracts between the Parties are also automatically terminated. DFS will not be liable for this termination unless otherwise agreed upon in writing.</p> <p>b) <b>Repayment of Advance Payments:</b> If DFS terminates a Contract under Section 18(a), the Counterparty must return all advance payments made by DFS as a condition of entering the Contract, regardless of any other rights or remedies available to DFS.</p> <p>c) <b>Transition Responsibilities:</b> If a Contract is terminated for any reason, the Counterparty must comply with all reasonable instructions from DFS regarding the termination process and the smooth transition of services back to DFS or to another service provider. The Counterparty must also take all necessary steps to minimize costs associated with the termination or transition.</p>
<b>20. CONFIDENTIALITY</b>	<p>a) <b>Obligations of the Receiving Party:</b> The Party receiving Confidential Information agrees to:</p> <ul style="list-style-type: none"><li>(i) use the Confidential Information solely for performing its obligations under this Contract;</li><li>(ii) not disclose Confidential Information to any third-party, except for its Representatives who have a legitimate "need-to-know" and are bound by confidentiality obligations;</li><li>(iii) inform its Representatives of the confidential nature of the information and ensure they comply with the terms of this Contract. The receiving Party remains responsible for the actions of its Representatives;</li><li>(iv) take reasonable measures to protect the confidentiality of the information and prevent unauthorized disclosure or use;</li><li>(v) notify the disclosing Party promptly in writing of any unauthorized disclosure of Confidential Information itself or its Representatives.</li></ul> <p>b) <b>Required Disclosures:</b> The receiving Party may disclose Confidential Information only to the extent legally required by applicable law, court order, or request from a regulatory, judicial, governmental or tax authority. Before making such a disclosure, the receiving Party must, if legally permissible, give the disclosing Party as much notice as possible and consider the disclosing Party's reasonable requests regarding the content of the disclosure as possible. If prior is not possible, the receiving Party must inform the disclosing Party of the disclosure circumstances and the disclosed information as soon as reasonably practicable.</p> <p>c) <b>Public Announcements:</b> Neither Party may publicly announce the existence, content, or negotiation of any Contract without the other Party's written consent.</p> <p>d) <b>Duration of Confidentiality:</b> The confidentiality obligations remain in effect for 3 years after the expiration or earlier termination of this Contract.</p>



<b>21. INDEMNITY</b>	<p>a) <b>Mutual Indemnity for Negligence or Breach:</b> Each Party agrees to defend, indemnify and hold harmless the other Party, and its officers, directors, agents and employees from any claims, actions, losses, damages and liabilities (including reasonable legal fees and court costs, but excluding consequential damages) arising from third-party claims for bodily injury, death and/or property damage. This indemnity applies only to the extent that such claims are caused by the negligent act or omission, willful misconduct of, or breach of a Contract by the indemnifying Party (or its employees, contractors, subcontractors or agents) in connection with performing their contractual obligations.</p> <p>b) <b>Counterparty Indemnity:</b> The Counterparty agrees to defend, indemnify and hold harmless DFS, and its officers, directors, agents and employees, from any claims, actions, losses, damages and liabilities (including reasonable legal fees and court costs, but excluding consequential damages) arising out of or related to:</p> <ul style="list-style-type: none"><li>(i) actions or orders of any governmental, judicial or other authority including any duties, taxes, levies, deposits and outlays of whatsoever nature levied by any authority;</li><li>(ii) the Counterparty's non-compliance with applicable international or domestic laws, regulations and legislations;</li><li>(iii) any breach or failure by the Counterparty to fulfil its obligations or fulfill its warranties under this Agreement;</li><li>(iv) any inherent defects or deficiencies in the Deliverables;</li><li>(v) for Service Deliverables, any claims brought against DFS by the Counterparty's personnel.</li><li>(vi) The Counterparty's fraud, gross negligence or willful misconduct.</li></ul>
<b>22. LIMITATION OF LIABILITY</b>	<p>a) <b>Waiver of Counterparty Limitations:</b> Unless otherwise agreed to in writing, the Counterparty waives any limitations of liability that may appear in its documentation related to the performance of this Contract.</p> <p>b) <b>Exclusion of Certain Damages:</b> To the fullest extent permitted by law, neither Party will be liable to the other for any special, consequential, incidental, punitive or indirect damages arising from or related to a breach of a Contract, regardless of any notice by one Party to the other regarding such potential damages.</p> <p>c) <b>Cap on DFS Liability:</b> The total Fees payable by DFS to the Counterparty under a Contract represent the maximum amount for which DFS will be liable to the Counterparty under that Contract, to the maximum extent permitted by law.</p>
<b>23. INSURANCE</b>	<p>a) Without limiting any other obligations and liabilities of the Counterparty, the Counterparty must obtain and maintain, at its own expense, insurance coverage from a reputable insurer (rated at least "A-, VIII" with AM Best or equivalent) with the following coverage:</p> <ul style="list-style-type: none"><li>(i) <b>Product Liability Insurance:</b> Coverage of at least US\$3,000,000 per occurrence for product liability, product recall and product contamination, naming DFS as an additional insured. This insurance must protect against all claims arising from defects or performance failures of the Goods, or any materials used in connection with the Goods. The policy must remain in effect for at least 1 year after the Contract expires.</li><li>(ii) <b>Marine/Shipping Insurance:</b> Coverage for the shipped Goods if the Counterparty is responsible for the shipping arrangements to DFS.</li></ul> <p>b) <b>Proof of Insurance:</b> The Counterparty must provide DFS with certificates of insurance demonstrating the required coverage before beginning work under a Contract and must maintain these policies throughout the Contract term.</p> <p>c) <b>Certificate Requirements:</b> The certificate of insurance must name DFS as an additional insured (where possible) and stipulate that DFS will receive at least 30 days' written notice of any policy cancellation or material modification. The certificate must also state that the insurance is primary coverage, not secondary or contributory to any insurance DFS might have. The insurance limits specified here do not limit the Counterparty's liability in the event of a claim.</p> <p>d) <b>Failure to Maintain Insurance:</b> If the Counterparty fails to maintain the required insurance coverage, DFS may, in addition to any other remedies available, terminate the Contract, subject to the Contract's terms.</p>
<b>24. ASSIGNMENT AND DELEGATION</b>	DFS may assign, transfer, subcontract or delegate its rights and obligations under the Contract to another entity by providing written consent of DFS. The Counterparty may only assign, transfer, subcontract, or delegate its rights and obligations under this Contract with DFS's express written consent.
<b>25. TAXES</b>	<p>a) <b>Responsibility for Taxes:</b> Each Party is responsible for paying its own taxes arising from its activities under a Contract. All fees payable between the Parties are exclusive of all taxes, levies, or duties imposed by taxing authorities.</p> <p>b) <b>DFS Tax Obligations:</b> DFS is not responsible for taxes that the Counterparty is legally obligated to pay, such as net income, gross receipts, franchise, or property taxes. DFS will pay any sales or value-added taxes (VAT) it owes for the Deliverables that the Counterparty is legally required to collect. If DFS provides a valid tax exemption certificate, the Counterparty will not collect the taxes covered by the certificate.</p>





	<p>c) <b>Tax Withholding:</b> If required by law, DFS may withhold taxes from payments to the Counterparty and remit them to the appropriate taxing authority. DFS will provide the Counterparty with an official receipt for any withheld taxes.</p> <p>d) <b>Other Charges:</b> Other applicable charges, such as shipping, duties, customs, tariffs, imposts, and government surcharges, must be listed separately on the Counterparty's invoice.</p> <p>e) <b>Taxes on Sales by DFS (If Applicable):</b> If the Contract involves sales by DFS, the Counterparty is responsible for all related taxes, duties, levies, and other similar charges (including interest and penalties). The Counterparty will ensure that DFS receives the net amount it would have received if such taxes had not been imposed.</p> <p>f) <b>Indemnification for Tax Penalties:</b> Each party agrees to indemnify, defend, and hold harmless the other from any liability for penalties, fines, or interest incurred as a result of that party's failure to pay its own respective tax obligations related to this Agreement.</p>
<b>26. COUNTERPARTY'S COMPLIANCE</b>	<p>a) <b>Counterparty Compliance with DFS Policies:</b> in performing its obligations under the Contract, the Counterparty agrees to comply with the following policies:</p> <ul style="list-style-type: none"><li>(i) <b>LVMH Suppliers and Business Partner Code of Conduct:</b> <a href="https://www.lvmh.com/ethics-and-compliance/lvmh-supplier-code-of-conduct">https://www.lvmh.com/ethics-and-compliance/lvmh-supplier-code-of-conduct</a></li><li>(ii) <b>DFS' Business Partner Anti-Corruption:</b> <a href="https://tc.dfs.com/acp/">https://tc.dfs.com/acp/</a></li></ul> <p>b) <b>Disclosure of Relationships:</b> Except for any relationships disclosed in writing to DFS before the Contract is signed, the Counterparty confirms that:</p> <ul style="list-style-type: none"><li>(i) no principal, employee, officer or director of the Counterparty (or their immediate family members) works for, represents, or acts in any capacity for DFS or any of its Affiliates;</li><li>(ii) no officer, director or employee of DFS or its Affiliates (or their immediate family members) controls or has a 5% greater interest in the Counterparty;</li><li>(iii) no officer, director or employee of DFS or its Affiliates (or their immediate family members) is also an officer, director or employee of the Counterparty.</li></ul> <p>c) <b>Representations and Warranties:</b> The Counterparty represents, warrants and commits neither the Counterparty, its Affiliates, nor (to its knowledge), any of their directors, officers, employees, or supplier.</p> <ul style="list-style-type: none"><li>(i) have been convicted of any acts of corruption or influence peddling;</li><li>(ii) are, or directly or indirectly owned or controlled by anyone, identified on any export denial or sanctions list maintained by relevant governmental bodies (including but not limited to, the United Nations and the US Office of Foreign Assets Control. "Person" in this context refers to both individuals and legal entities.</li></ul> <p>d) <b>Notification of Breaches:</b> The Counterparty agrees to promptly notify DFS in writing if it becomes aware of any breach of this Section after the Contract has been signed.</p>
<b>27. FORCE MAJEURE</b>	Neither Party will be held liable for failing to fulfil its contractual obligations if the failure is due to a Force Majeure Event. If a Force Majeure Event continues for 30 days or more, either Party may terminate the Contract immediately, without liability, by providing 7 days' prior written notice to the other Party.
<b>28. RIGHT OF SET-OFF</b>	<p>a) To the extent permitted by law, DFS has the right to deduct and offset:</p> <ul style="list-style-type: none"><li>(i) Any fees or other amounts owed by DFS to the Counterparty under any existing Contract against.</li><li>(ii) Any amount owed to DFS or its Affiliates by the Counterparty or its Affiliates. This includes amounts owed for ancillary support services as described in Section 14.</li></ul> <p>b) DFS's exercise of its right of set-off does not waive its right (or its Affiliates' right) to pursue any other available legal or contractual remedies against Counterparty (or its Affiliates) to collect the full amount due or to recover damages for breach of this Contract.</p>



<b>29. GENERAL CONTRACTUAL PROVISIONS</b>	<ul style="list-style-type: none"><li>a) <b>Governing Law:</b> This Contract is governed by the laws of Hong Kong Special Administrative Region.</li><li>b) <b>Relationship of Parties:</b> This Contract does not create an employment or agency relationship between the Parties.</li><li>c) <b>No Authority to Bind:</b> Neither Party has the authority to bind the other Party to any obligation or contract without that party's express written consent.</li><li>d) <b>Entire Agreement:</b> A Contract represents the complete agreement between the Parties regarding its subject matter and supersedes all prior agreements, representations and understandings.</li><li>e) <b>Amendments:</b> Each Contract can only be amended in writing.</li><li>f) <b>No Waiver of Rights:</b> A Party's failure to enforce any right under this Contract does not waive that right or prevent its future enforcement.</li><li>g) <b>Legal Fees:</b> The prevailing Party in any legal action to enforce a Contract is entitled to recover reasonable attorneys' fees and costs, in addition to any other relief granted.</li><li>h) <b>Precedence of Terms:</b> In case of conflict between the terms of a Contract and these MTC, the terms of the MTC prevail.</li><li>i) <b>No Incorporation of Other Documents:</b> Unless explicitly incorporated by reference in a Contract, no other terms and conditions from any document issued by the Counterparty will be considered part of that Contract, unless otherwise agreed upon in writing.</li><li>j) <b>Severability:</b> If any provision in this Contract is deemed illegal, unenforceable or void, the remaining provisions remain in full force and effect.</li><li>k) <b>No Third-Party Rights:</b> No person who is not a party to a Contract has any rights to enforce or benefit from its terms under the Contracts (Rights of Third Parties) Act (Cap. 53B of Singapore) or equivalent legislation.</li><li>l) <b>Non-Exclusive Relationship:</b> This Contract does not create any exclusive relationship between the Parties unless otherwise agreed upon in writing.</li><li>m) <b>Legal Costs:</b> Each Party is responsible for its own legal costs associated with this Contract.</li><li>n) <b>Counterparts:</b> This Contract may be signed in multiple counterparts, each of which is considered an original, but together they form a single agreement.</li></ul>
<b>30. NOTICES</b>	<ul style="list-style-type: none"><li>o) <b>Method of Delivery:</b> All notices required or permitted under this Contract must be in writing and delivered by hand, internationally recognized courier service, or email to the Parties' respective business addresses (or any other address specified in the Contract).</li><li>p) <b>Deemed Receipt:</b> A notice is considered received:<ul style="list-style-type: none"><li>(i) <b>by hand:</b> upon written acknowledgement or receipt by an employee of the receiving Party.</li><li>(ii) <b>by courier:</b> Upon the courier providing proof of successful delivery.</li><li>(iii) <b>by email:</b> upon the sending Party receiving an email delivery confirmation.</li></ul>If the above provisions indicate that a notice will be received outside of the recipient's normal business hours, the notice is considered being received at 9:00 a.m. on the next business day.</li><li>q) <b>Change of Address:</b> Either Party may change its designated address for receiving notices by providing 30 days' prior written notice to the other Party.</li></ul>
<b>31. DISPUTE RESOLUTION</b>	<ul style="list-style-type: none"><li>a) <b>Negotiation:</b> If a dispute, controversy or difference arises concerning a Contract (including any question about its existence, validity or termination), the Parties will first in good faith to resolve the matter promptly through negotiation between senior executives.</li><li>b) <b>Mediation:</b> If the negotiation does not resolve the dispute within 45 days of the initial notice of dispute (or another agreed-upon timeframe), the Parties will attempt in good faith to resolve the dispute through mediation in Hong Kong, following the rules of the HKIAC.</li><li>c) <b>Arbitration:</b> If the mediation fails, is abandoned by the mediator, or a Party refuses to mediate, the dispute will be resolved by binding arbitration administered by the Hong Kong International Arbitration Centre (HKIAC) under its Arbitration Rules. The arbitration will take place in Hong Kong, conducted in English, and will be heard by a panel of 3 arbitrators. Either Party may enforce the HKIAC award in any competent court. The HKIAC's decision shall be final and binding, with no right of appeal.</li><li>d) <b>Continued Performance:</b> Even with a pending dispute, both Parties must continue fulfilling their contractual obligations as long as the relevant Contract remains in effect. However, this does not restrict either Party's right to seek interim relief or to terminate the Contract allows for such termination.</li></ul>