

# SUPPLY AGREEMENT

The undersigned Partner hereby confirms its agreement that the following conditions apply to its purchase of any Products from Love Brands, a wholly owned brand, trademark, and subsidiary of Saje Holdings, LLC ("Love Brands"):

## **Sale of Products**

Wholesale Partner ("Partner"), agrees to purchase Love Brands products subject to the terms and conditions of this Agreement and any existing or future laws, regulations or court orders affecting the performance of a Party's obligations under this Agreement. Partner shall at all times offer/sell the products in the same conditions as they are received from Love Brands, provided that Partner may apply stickers or labels containing Partner's barcoding, prices, and any other similar information. Partner shall not sell any products after its shelf-life has expired. Partner will allow only those persons authorized by Partner to issue purchase orders on account's behalf, and Love Brands may reasonably rely on the authority of any person who executes a purchase order on account's behalf. Love Brands may, in its sole discretion, accept or reject, in whole or in part, any purchase order to procure products. Love Brands trade discount: Retail Price less 50%.

Products must be priced no less than twenty-five percent off Love Brands Manufacturer's standard retail price (MSRP). For example, MSRP is \$39.00, a twenty-five percent discount would be \$9.75, and the sale price per unit would be no less than \$29.25. From time-to-time product promotions and purchase incentives will be suggested by Love Brands. Partners are allowed to incent sales through value-added additional products with purchase. All questions regarding incentives and promotions should be directed to Partner's Love Brands Director of Sales.

## **Non-Diversion**

Partner agrees that Love Brands products supplied to Partner will be sold only from Partner's facility.

The Partner may not trans-ship Love Brands products to any spa or store that Love Brands has not approved. Distribution or sale of products is not transferable to any other premises, including, without limitation, by phone order, catalog, mail order, television, radio, Internet, telephone solicitation mail order, and is strictly prohibited without written consent from Love Brands as of the date of this Agreement.

Any dealings by Partner in counterfeit products, products which infringe Love Brands Product trademarks, copyright or other proprietary rights, or in products bearing brand names of Love Brands which have been obtained from any source other than Love Brands is a breach of this Agreement, which entitles Love Brands immediately to terminate it in addition to, not in lieu of, any other rights and remedies Love Brands may have at law or in equity, including, without limitation, injunctive relief.

## **Online Sales/Internet Policy**

Love Brands prohibits online sales by Partner without a mutually executed E-commerce and Online Sales Agreement. If Partner sells online without written consent, Love Brands reserves the right to end contract. Partner may state on its website that Love Brands products are available at the spa or store. Partner may also link its website to [www.lovepaks.com](http://www.lovepaks.com). Partner will need to mention they are an Authorized Retailer of Love Brands.

## **Product Returns End User Returns:**

Love Brands is interested in ensuring all end users are satisfied with product purchases. Any end-user returns of products to Partner in which no more than 30% of the product has been used and the return from the end-user is within 30 days of purchase, will be replaced with like product. To obtain replacement, Partner must seek a product return authorization number by submitting to Love Brands Corporate Offices a Product Return Authorization Form and include all end-user returns. End-user returns may not exceed 3% of net shipments.

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## **Partner Returns:**

All Partner returns must be authorized in advance and given an authorization number before any goods are returned. No exchanges or credits will be processed for items without prior authorization and Love Brands procedures followed. Stock merchandise returns for credit or refund must be in perfect re-sellable condition, or credit or refund will not be given. Returns are also subject to a 20% restocking fee. Returned goods will not be accepted after 60 days from purchase date.

## **Advertising**

Any advertising of Love Brands by Partner will be at Partner's expense. Any advertising of Love Brands requires that the Partner mention they are an Authorized Retailer of Love Brands.

## **Payment/Insufficient Funds**

Invoices are due upon receipt unless otherwise negotiated and are subject to credit approval. Should any payment by Partner to Love Brands be returned to Love Brands by any financial institution, Love Brands will assess a fee of \$50 to Partner's account. If more than one check is returned for insufficient funds within a six (6) month period, Love Brands reserves the right to terminate this Agreement immediately.

Partner accounts must be current to fulfill purchase orders from Partner. Partner will be contacted if account is in arrears and given the opportunity to pay immediately should shipment be urgently required.

## **Limitation of Liability; Disclaimer of Damages**

Love Brands will not be liable to Partner for special, indirect, incidental, exemplary, consequential or punitive damages, including loss of profits, arising from the relationship of the parties or the conduct of business under, or breach of this Agreement, whether or not such damages are foreseeable and whether or not Partner has been notified of the likelihood that such damages may result. Neither party shall be liable to the other for any failures or delays arising out of conditions beyond its reasonable control, including, but not limited to, ingredient shortages, work stoppages, fire, civil disobedience, delays associated with hardware malfunction or availability, riots, rebellions, acts of terrorism, storms, electrical failures, acts of God and similar occurrences; provided that Partner shall not be excused from any payment obligations for reason of the foregoing.

## **Indemnity**

Partner shall indemnify Love Brands from any loss or expense arising from Partner's breach of this contract.

## **Use of Trademarks**

Partner shall not claim any title or right to use the intellectual property rights Love Brands except as expressly provided by this Agreement. The Love Brands brand names, logos, monograms, copyright materials used in packaging, sales support materials and advertising are all trademarks and valuable marketing properties which may only be used by Partner in connection with the marketing and advertising of Love Brands products, and then only in a manner which Love Brands, in its sole discretion, approves in advance in writing. Upon termination of this Agreement, all rights of Partner to use the Love Brands trademarks and service marks will expire; Partner must discontinue use of the Love Brands trademarks and service marks, and all marketing materials will be destroyed or returned by Partner.

## **Product Representation**

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Partner must maintain the highest standards of presentation and service in its outlets. These standards are to be mutually agreed between Love Brands and Partner and may be varied from time to time as agreed between the parties. Love Brands is entitled to immediately terminate this agreement and withdraw supply if, in its view, the standard of Partner's presentation of Love Brands falls below Love Brands image criteria. The range of Love Brands products to be sold by Partner will be agreed by Partner and Love Brands.

### **Changes of Ownership – Registered Particulars**

Partner recognizes that this Supply Agreement relates only to the spa or store identified above. Should Partner open an additional spa or store location and request that Love Brands ship products to that new spa or store, Love Brands will consider such a request at that time. Love Brands will not be required to ship products to that new spa or store unless Love Brands approves Partner's request and a new Supply Agreement is executed. Partner shall, no later than thirty (30) days prior to any proposed changes of ownership of the spa or store, notify Love Brands of the proposed changes. Love Brands reserves the right to cease supplies of product to Partner for the spa or store. Love Brands reserves the right to assess the new owners or management and any other qualifications before determining whether or not to continue or cancel the relationship established under this Supply Agreement.

### **General Terms**

Love Brands is completely free to sell or not to sell products to Partner, and Partner is completely free to buy or not buy products from Love Brands. Partner understands and acknowledges that Love Brands may change the prices of any of the products and its terms and conditions of sale at any time. Without limitation, Love Brands shall have no liability for any use of the products by Partner, its professional staff or employees, or by any clients/Partners of Partner, other than the intended use of the products as described in written information provided by Love Brands.

### **Severability**

This Supply Agreement may be terminated by Love Brands or Partner at any time, in its sole discretion, without liability. Upon termination of this Agreement Love Brands may, at its discretion, purchase all products which Partner has in inventory as of the termination date of this Agreement. In such an event Love Brands will pay Partner a price equal to the wholesale price for each unit of saleable product repurchased, less a 20% restocking fee.