

Partner Agreement

This Partner Agreement (the “**Agreement**”) is made and entered between This is CALA, Inc., a Delaware corporation (“**Company**”) and you, the partner (hereafter referred to as “**Production Partner**” or “**Design Partner**”, “**Partner**”, “**you**”, “**your**” or “**yours**”). Partner and Company may be referred to herein each as a “**Party**” and collectively the “**Parties**”. In consideration of the covenants and conditions described below, Company and Partner agree as follows:

By clicking on the “accept” or similar button, (1) you are consenting and expressly agree to be bound by and are becoming a party to (a) the terms of this Agreement, and (b) the terms of the Terms of Use located at <https://ca.la/terms> (the “**Terms of Use**”); and (2) you represent and acknowledge that you have read and reviewed this Agreement and the Terms of Use (“**Acceptance**”).

Please note that to be vetted as a production contractor and to use Company’s Platform (as defined herein) and the associated Software (as defined herein), you must agree to the terms and conditions set forth in this Agreement and the Terms of Use. We may modify this Agreement at any time, and such modification shall be effective immediately upon either posting of the modified agreement or notifying you. You agree to review this Agreement periodically to ensure that you are aware of any modifications. Your continued access or use of the Platform shall be deemed your conclusive acceptance of the modified agreement. If you do not agree to the terms of this Agreement and/or the Terms of Use, you do not have our authorization to use any of the Company Services and you may not access or use any portion of the Site, our Software or the Platform (each as defined herein).

Terms not defined herein shall have the meaning as provided in our Terms of Use and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and the Terms of Use, the terms of this Agreement shall supersede and control to the extent of any such conflict. This Agreement is effective as of the Acceptance.

1. Services

- (a) **General.** Company provides certain services (the “**Company Services**”) to designers (“**Designers**”) through its technology platform (the “**Platform**”) which includes Company’s proprietary software and content (the “**Software**”) on its online website (including all content and functionality available through the <https://ca.la/> domain name, the “**Site**”) to connect Designers with:
 - (i) production partners (each a “**Production Partner**”) who provide production services (including fabric manufacturing, trim vendors

and sample making and production of garments) with respect to orders of garments and/or accessories (collectively, the “**Garments**”) by Designers (each such order of Garments, a “**Design Project**”);

- (ii) access to consultants (technical designers, pattern makers and other sourcing services) in connection with the production of Garments in any given Design Project (the services described in the foregoing clauses (i) and (ii), collectively, the “**Production Services**”); and
- (iii) design partners (each a “**Design Partner**”) who provide Designers with branding design, graphic design, ghost design, technical design, pattern design (collectively, the “**Design Services**”) in connection with the production of Garments in a Design Project.
- (the services described in clauses (i)-(iii), collectively, the “**Partner Services**”).

(b) Production Services.

- (i) Once a Designer submits a proposed Design Project through the Platform, in accordance with the applicable agreement between the Designer and Company (the “**Designer Agreement**”), Company shall, following review of such Design Project, connect the Designer with the appropriate Production Partner, in Company’s sole discretion (the “**Production Partner Selection Process**”). For the avoidance of doubt, there is no guarantee that Production Partner will be matched with a Designer in any Production Partner Selection Process.
- (ii) Following the Production Partner Selection Process, Company, in its sole discretion, shall assign a monetary value to all costs and fees (including without limitation, pattern-making, material sourcing, prototypes, product development, custom labels, a salesman sample for final approval, bulk units, and a keep sample for Company), required for the fulfilment of the Production Services for each Design Project submitted through the Platform (the “**Bid**”) and shall send each completed Bid to the Production Partner identified in the Production Partner Selection Process. Within seventy-two (72) hours of submission by the Company of the Bid, the Production Partner shall accept or reject the Bid in whole and not in part. Upon acceptance of a Bid (the “**Accepted Bid**”) by the applicable Production Partner (the “**Accepting Production Partner**”), such Production Partner shall be bound to provide the Production Services at costs and fees that shall not exceed the costs and fees set forth in the Accepted Bid. The Accepted Bid shall be final in respect of the applicable Design Project. In the event the Production Partner rejects the Bid, Company shall repeat the procedures found this *Section 1(b)(ii)* until an Accepting Production Partner is found.

- (iii) Following an Accepted Bid, Designer will, in accordance with its Designer Agreement, provide clear instructions and timeline to Accepting Production Partner, via the Platform, regarding the production of Garments in the applicable Design Project. The Platform shall be the sole, binding method of communication between the Accepting Production Partner and Designer. For the avoidance of doubt, approval, rejection and/or comments to a Sample (defined below) or other inquiries or questions shall be provided through the Platform. Sample approval via the Platform shall be final, irrevocable and definitive for all purposes under this Agreement.
- (iv) At the direction of Designer via the Platform, Accepting Production Partner will commence Production Services by first providing the number and type of samples required by the applicable Design Project, as determined by Company in its sole discretion (the “**Samples**”), to Designer with respect to each garment in the Design Project. Designer, in accordance with the Designer Agreement, shall review, approve and/or provide comments on any Sample created by an Accepting Production Partner in connection with such Design Project.
- (v) If Designer requests a major and substantial change to a Sample (a “**Major Alteration**”) that materially impacts the production time, the pricing or other material term contained in the Accepted Bid, as determined in Company’s sole discretion, Company may place on hold or otherwise cancel the Accepted Bid and a new Bid shall be issued in accordance with *Section 1(b)(ii)*, first to the Accepting Production Partner to be accepted or rejected by such Accepting Production Partner within seventy-two (72) hours. In the event the Accepting Production Partner rejects the new Bid or does not respond within seventy-two (72) hours, Company shall offer the Bid to other Production Partners identified in the Production Partner Selection Process as described in *Section 1(b)(i)*. By way of illustration and without limitation, a Major Alteration may include change of the product type, change of construction of a Garment by adding a hood or sleeve or other feature, change in the process type from print to embroidery or substantially changing materials (i.e., from denim to leather).
- (vi) Once a Designer approves the final Sample (the “**Top of Production Sample**”), no changes of any kind (whether material or immaterial) may be made to a Garment nor to the number of units for a given Garment in connection with the applicable Design Project. Following approval of the Top of Production Sample, Accepting Production Partner shall promptly commence full production of the applicable Garment pursuant to the applicable Design Project. Provided that the Designer does not instruct Accepting Production Partner to devi-

ate from the Top of Production Sample, Accepting Production Partner will be responsible for replacing production of Garments and all costs associated with such reproduction in the event the completed Garments deviate from or do not conform to the Top of Production Sample.

- (vii) All fees for Production Services shall be paid to Accepting Production Partner based on the Bid, pursuant to *Section 1(b)(ii)*. For the avoidance of doubt, the Bid (and all information used to create the Bid) is considered Company Confidential Information subject to all obligations and restrictions in *Section 8*, and Production Partner agrees to discuss neither the Bid nor Accepted Bid at any time with the Designer.

(c) Design Services

- (i) Following Company’s review of each Design Project submitted through the Platform, in accordance with the Designer Agreement, Company shall, following review of such Designer Project, connect Designer with the appropriate Production Partner (the “**Design Partner Selection Process**”). For the avoidance of doubt, there is no guarantee that Production Partner will be matched with a Designer in any Design Partner Selection Process.
- (ii) Following the Design Partner Selection Process, Company, in its sole discretion, shall assign a monetary value to all costs and fees for the Design Services, required for the fulfillment of each Design Project submitted through the Platform (the “**Offer**”) and shall send each completed Offer to the Design Partner identified in the Design Partner Selection Process. Within seventy-two (72) hours of submission by the Company of the Offer, the Design Partner shall accept or reject the Offer in whole and not in part. Upon acceptance of an Offer (the “**Accepted Offer**”) by the applicable Design Partner (the “**Accepting Design Partner**”) such Design Partner shall be bound to provide the Design Services at costs and fees that shall not exceed the costs and fees set forth in the Accepted Offer. The Accepted Offer will be final in respect of the applicable Design Project. In the event the Design Partner rejects the Offer, Company shall repeat the procedures found in this *Section 1(c)(ii)* until an Accepting Design Partner is found.
- (iii) Following the Accepted Offer, Designer will, in accordance with the Designer Agreement, provide clear instructions to Accepting Design Partner, via the Platform, for the performance of the Design Services for the applicable Design Project. In compliance with Designer’s clear instructions, Accepting Design Partner and Company shall formulate a mutually agreed upon plan regarding the timeline, goals

and requirements regarding the Design Services for each applicable Design Project prior to the performance of the Design Services (the “**Plan**”). The Platform shall be the sole, binding method of communication between the Accepting Design Partner and Designer.

- (iv) Following the formulation of the Plan, Designer shall direct the Accepting Design Partner to initiate performance of the Design Services. Promptly upon receiving such direction, Accepting Design Partner shall commence the Design Services. With the exception of changes to the Plan or Design Services in regard to ghost design services (“**Ghost Design Services**”), no changes may be requested by Designer to the Plan or Design Services in connection with the applicable Design Project following commencement of the Designer Services. In the case of changes requested by Designer to Ghost Design Services (“**Ghost Design Changes**”), such change requests shall be submitted via the Platform. The Company may, in its sole discretion, limit the number of Ghost Design Changes the Designer may make to each applicable Design Project. All costs resulting from Ghost Design Changes shall be charged to Designer by Company on behalf of the Ghost Design Partner. Provided that the Designer does not instruct Accepting Design Partner to deviate from the Plan, Accepting Design Partner will be responsible for any deviation from the Plan and any costs associated therewith.
- (v) All fees for the Design Services shall be paid to Accepting Design Partner based on the Offer, pursuant to *Section 1(c)(ii)*. For the avoidance of doubt, the Offer (and all information used to create the Offer) is considered Company Confidential Information subject to all obligations and restrictions in *Section 8*, and Design Partner agrees not to discuss the Offer or the Accepted Offer with the Designer.

2. Shipping and Delivery.

Production Partner understands and agrees to the following with respect to the production and/or fulfillment of Garments (the “**Produced Garments**”):

- (a) Production Partner shall allow reasonable access to Company or Company’s representative to Production Partner’s facilities and Produced Garments to conduct pre-shipping quality checks of such Produced Garments;
- (b) Shipping and delivery costs for references, samples and bulk shall be managed and paid for by the Company;
- (c) All Produced Garments shall be shipped to the address and contact information provided: (i) in cases where Designer shall accept direct delivery,

- by Designer through the Platform or (ii) in cases where Produced Garments are to be delivered to a third-party warehouse chosen by Company (a “**Warehouse**”), by Company via email;
- (d) Company shall utilize a nationally recognized courier service (“**Courier**”). Company shall notify Designer of the shipping date and expected delivery time of the Produced Garments;
 - (e) Production Partner shall cooperate with all Company’s and Designer’s commercially reasonable requests in respect of shipping of the Produced Garments and any reasonable costs incurred by Production Partner in such assistance shall be reimbursed by Company or Designer, as applicable;
 - (f) The Production Partner shall be responsible for all defects or damage to the Produced Garments (the “**Damaged Garments**”) prior to delivery of the Produced Garments from Production Partner to: (i) a Warehouse; (ii) Designer; or (iii) Designer’s customers. Upon such delivery, Designer and Company, shall have thirty (30) days (the “**Notification Period**”) to notify and provide evidence to Production Partner of such Damaged Garments and Production Partner shall work with the Designer and Company, in good faith, to remedy the damage, defect, or incompleteness (including without limitation, the cost to fix or replace the Damaged Garments) and return the Damaged Garments to Production Partner, all at Production Partner’s cost and expense. In the event the Notification Period lapses, the delivered Garments will be considered accepted, except as provided in *Section 2-608* of the Uniform Commercial Code, and Production Partner’s liability for Damaged Garments shall terminate.
 - (g) Production Partner shall be responsible for handling all complaints received by Designer and any return shipping costs in connection with any Damaged Garments;
 - (h) Production Partner shall be responsible for all shipping and delivery costs for the return of Damaged Garments;
 - (i) Production Partner shall not be responsible for any damage caused by any warehouse operator used by Company or Courier to the Produced Garments and Designer’s sole recourse will be against Courier or the applicable warehouse operator for such damage; and
 - (j) The Final Payment (as defined in *Section 4*) will not be remitted to Production Partner unless and until (A) the Produced Garments are fully delivered and received by Designer, (B) no Damaged Garments are reported by Designer or Company within thirty (30) days of receipt, and (C) Designer remits the Final Payment to Company.

3. Term; Termination

- (a) **Term.** This Agreement shall commence on the date Partner first accepts the terms herein and will continue in effect for twelve (12) months thereafter (the “**Initial Term**”). Following the Initial Term, this Agreement will automatically renew for successive renewal terms of twelve (12) months (each, a “**Renewal Term**” and together with the Initial Term, the “**Term**”) unless either Party gives the other Party notice of non-renewal at least thirty (30) days prior to the end of the Initial Term or then-current Renewal Term as applicable.
- (b) **Termination for Cause.** If either Party materially breaches a provision of this Agreement, the non-breaching Party, if curable, shall provide the breaching party with written notice of such breach and a 30-day opportunity to cure (the “**Cure Period**”). If the alleged breach remains uncured as of the expiry of the Cure Period, the non-breaching party may terminate the Agreement upon written notice to the other Party. If the alleged breach is incurable, the non-breaching party may terminate the Agreement immediately by providing written notice of the same.
- (c) **Survival.** *Sections 3* (Termination), *8* (Property Rights of the Parties), *10* (Indemnity), *12* (Non- Solicitation; Non-Circumvent), and *17* (Miscellaneous) will survive any termination or expiration of this Agreement in accordance with their terms and shall survive for so long as reasonably necessary to give effect to the intention of the applicable section.

4. Fees.

Company shall pay Partner only the aggregate amount due and owing under an Accepted Bid or an Accepted Offer amount as applicable. Partner understands and hereby agrees to the following:

- (a) The amount due and owing under an Accepted Bid or an Accepted Offer shall be tendered to Partner in two separate payments. The first payment shall be fifteen percent (15%) of the Accepted Bid or the Accepted Offer, as applicable (the “**Initial Payment**”). The Initial payment shall be tendered within ten (10) business days of commencement of the Partner Services. The second and final payment shall be eighty five percent (85%) of the Accepted Bid or the Accepted Offer, as applicable (the “**Final Payment**”). The Final Payment shall be tendered upon Partner’s full completion of the Produced Garments and within ten (10) business days of receipt from Designer;
- (b) Company will not be liable to Partner or obligated to pay Partner for any costs, fees, or damages of any kind due to a Designer’s non-payment for the Partner Services. In the event of a dispute arising out of non-payment

for the Partner Services, prior to pursuing legal remedies, Partner agrees to provide Company with (i) written notice of such intent to pursue legal remedies, and (ii) a period of fifteen (15) days in which Company may, in its sole discretion, choose to contact Designer directly to cure such non-payment (“**Company Mediation**”). If Company Mediation fails to resolve the dispute, Partner’s sole recourse for non-payment for the completed Partner Services will be solely against Designer;

- (c) Neither Company nor Designer will be liable to Production Partner for any costs incurred by Production Partner in the event Production Partner commences production of Garments without Designer’s consent or acceptance of the Top of Production Sample;
- (d) Partner will set up and have an active account with Stripe (or Veem in the People’s Republic of China (“**China**”)) to receive payment from Company;
- (e) Company is not liable or responsible in any way, including, but not limited to, any damages or fees, incurred by Partner for Partner’s failure to set up and maintain an active account with Stripe (or Veem in China); and
- (f) Other than legal proceedings arising out of non-payment by Designer following Company Mediation, under no circumstance and in no event will Partner contact a Designer directly by any means to discuss the Partner Payment, or any portion thereof, or any payment details in connection with this Agreement.

5. Commitment to Company; Company Deactivation Policy

- (a) **Commitment to Company.** Partner agrees to comply in all material respects with the “Partner Commitment to CALA” attached hereto as *Exhibit A* as the same may be updated from time to time.
- (b) **Deactivation.** Company’s goal is providing reliable and long lasting partnerships with both Designers and Partners. Company does this by connecting Designers with reliable Partners in terms of design, quality, reliability, accountability and transparency in communication. This is only possible when Designers trust Partners and vice versa. If Company determines, in its sole discretion, that Partner has breached the terms of this Agreement and/or the Terms of Use and/or the Partner Commitment to CALA, Partner may be barred or suspended from using the Platform, either temporarily or permanently, depending on the materiality of the breach.

6. Compliance with the Law

- (a) Partner hereby acknowledges and agrees that Partner will use the Site, Platform and/or Software and provide the Partner Services in full compliance at all times with all relevant state, federal and local laws, statutes, rules, ordinances, regulations, policies and other requirements.
- (b) Partner has not previously, does not and will not violate any applicable laws relating to (i) anti-terrorist financing, (ii) money laundering, (iii) bribery or corruption (including the U.S. Foreign Corrupt Practices Act) or (iv) any sanctions regime or list of Sanctioned Persons administered by the United States (including OFAC), the United Nations Security Council, the European Union, or any other relevant sanctions authority or governmental entity.
- (c) “**Person**” means any individual, corporation, partnership, limited liability company, joint venture, association, trust, unincorporated entity, governmental entity or any other entity.
- (d) “**Sanctioned Person**” means any Person that is the target of Sanctions, including (a) any Person designated on any Sanctions-related list maintained by the U.S. Government, including the Treasury Department’s Office of Foreign Assets Control’s (“**OFAC**”) Specially Designated Nationals and Blocked Persons List, the U.S. Department of Commerce’s Entity List or Denied Persons List, or other lists of a similar nature maintained by the U.S. Government or relevant non-U.S. Governmental Entity; (b) any Person organized or resident in a country or territory that from time to time may be the target of Sanctions as identified by OFAC; or (c) where relevant under applicable Sanctions, any Person fifty percent (50%) or more owned or controlled by any such Person or Persons or acting for or on behalf of such Person or Persons.
- (e) “**Sanctions**” means applicable economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by (a) the U.S. Government, including those administered by OFAC or the U.S. Department of State, or (b) any other relevant governmental entity.

7. Dispute Resolution.

- (a) The Parties agree that all controversies, claims, application of any of the terms, covenants, or conditions herein, issues and other disputes arising out of or relating to this Agreement or the breach thereof (the “**Disputes**”) will first be subject to reasonable good faith efforts by the Parties to resolve such Dispute
- (b) In the event that such good faith efforts are not successful, any Dispute, except for any action seeking injunctive relief, shall be submitted to binding arbitration in New York County, New York, on the request of any

Party, and the arbitration shall comply with and be governed by the provisions of the New York Civil Practice Law & Rules, Article 75. Any cause of action or claim Partner may have with respect to this Agreement must be commenced within one (1) year after the claim or cause of action arises. Arbitration shall be conducted by three (3) arbitrators familiar with the commercial practices of Company and Partner's industry. Each Party shall be entitled to select one (1) arbitrator, which two (2) selected arbitrators shall in turn select a third arbitrator. Any award or decision obtained from any such arbitration proceeding shall be final and binding on the Parties, and judgment upon any award thus obtained may be entered in any court having jurisdiction thereof. All parties to the arbitration shall as an initial matter share the costs of such proceeding, but the prevailing Party may be awarded fees and costs, including reasonable attorney's fees. No action at law or in equity based upon any claim arising out of or related to this Agreement shall be instituted in any court by either Party except (a) an action to compel arbitration pursuant to this *Section 7*, or (b) an action to enforce an award obtained in an arbitration proceeding in accordance with this *Section 7*.

8. Property Rights of the Parties

- (a) **Confidential Information.** Each Party recognizes and acknowledges that it may receive ("**Receiving Party**") Confidential Information (as defined herein) of the other Party ("**Disclosing Party**") provided under this Agreement. The Receiving Party agrees to hold all of the Disclosing Party's Confidential Information in confidence, not to disclose any portion of it to others or use it in any way, commercially or otherwise, except as necessary to perform or receive the Company Services and/or Partner Services and not to allow any unauthorized person access to it, either before or after termination of this Agreement; provided, however, that any such Confidential Information may be provided only to the Receiving Party's employees, agents, partners, members, consultants, subcontractors or contractors (collectively, "**Representatives**") that have a need for such access for the sole purposes of Partner's performance of, or Partner's receipt of, the Company Services and/or Partner Services pursuant to this Agreement, such Representatives being, in each case, subject to confidentiality restrictions similar to those contained herein. The Receiving Party or its Representatives shall not make copies of, disassemble, reverse engineer, or otherwise decompile any of the Disclosing Party's Confidential Information. The Receiving Party shall promptly notify the Disclosing Party in the event of any unauthorized use or disclosure of any of the Disclosing Party's Confidential Information. Upon the Disclosing Party's request or the termination of this Agreement, the Receiving Party shall promptly return all documents and other materials received from the Disclosing Party, unless otherwise provided in this Agreement. If it is determined,

in Company's sole discretion, that any records containing Confidential Information cannot or need not be returned to Company, Partner agrees to, upon Company's request, securely destroy such records to prevent the unauthorized disclosure or dissemination of Company's Confidential Information. The Receiving Party agrees that the Disclosing Party owns the Disclosing Party's Confidential Information and it shall continue to be the exclusive property of the Disclosing Party, whether or not prepared in whole or in part by the Receiving Party and whether or not disclosed to or entrusted to the Receiving Party's custody. Subject to *Sections 8(b)* and *8(c)*, Designer owns all right, title and interest in and to the Designer Materials.

As used herein, the term "**Confidential Information**" means all information (whether or not patentable and whether or not copyrightable) owned, possessed or used by the Disclosing Party hereunder, including, without limitation, inventions, products, designs, formulas, vendor and Designer identity and information, customer information or lists, apparatuses, equipment, processes, research, reports, technical data, know-how, computer programs, software, software or process documentation, hardware designs, technology, marketing or business plans, forecasts, unpublished financial statements, budgets, licenses, prices, costs and employee lists, specifications, samples, patterns, designs, plans, drawings, documents, data, and Third-Party Confidential Information that are communicated to, learned of, developed or otherwise acquired by the Receiving Party under this Agreement, whether disclosed orally or in written or electronic communication or other forms of media, and whether or not marked, designated or otherwise identified as being "confidential", "secret", or "proprietary." For the avoidance of doubt, Company's Confidential Information includes: confidential and proprietary information related to the Company Services, Partner Services, Site, Platform, Software, production partners, Bid(s), and other fees or costs involved with any of the above; data received or mined by Company and the results of such data mining, or information derivable therefrom; information concerning the techniques, processes, formulas, improvements, ideas, and methods of Company; information concerning the designs, drawings, plans, manuals, patterns, and schematics of Company; information concerning the copyrights, trademarks, service marks, tradenames, trade secrets, mask works, patents, applications, and know-how of Company, any and all privacy rights, data rights, moral rights and other intellectual property and proprietary rights, including all classes and types in all countries in the world, and applications, continuations, divisionals, reexaminations, reissues, extensions, modifications and derivatives of all of the foregoing, whether registered or unregistered ("**Intellectual Property**") and information concerning Company's Intellectual Property; information concerning the hardware owned or used by Company; Company's business plans and methods; Company's research and development information; Company's marketing or sales strategies and techniques; information about costs or pricing of Company's Services; lists of and information concerning existing or potential clients, customers (including information concerning current and

prospective Designers, Design Projects and Design Levels determined by Company), consultants, suppliers, vendors, strategic partners and other business relations; employee personnel files and information about employee compensation and benefits; information (including confidential or Confidential Information) received by Company from third parties, including, without limitation, its clients, customers (including information concerning current and prospective Designers, Design Projects and Design Levels determined by Company), consultants, suppliers, vendors, strategic partners and other business relations; information concerning leases, contracts and agreements to which Company is a party; work product relating to work being done, or proposed, for any customer of Company; Company's historical and pro forma financial information; and all information and documents (oral, in writing, in electronic, machine readable or other tangible form, or visual) relating to, making known, or making knowable (alone or in combination with any other source of information) any of the foregoing. For the avoidance of doubt: Partner's Confidential Information includes confidential and proprietary information related to the Partner Services. For the avoidance of doubt, Designer Confidential Information includes: confidential and proprietary information related to any Design Project ("Designer Materials", as defined below). For purposes of this Agreement, Confidential Information shall not include information the Receiving Party can document (a) was or has become readily available to the public without restriction through no fault of the Receiving Party; (b) was received without restriction from a third party lawfully entitled to possess and disclose such information; (c) was rightfully in possession of the Receiving Party without restriction prior to the Disclosing Party's disclosure of such information to the Receiving Party; or (d) was or is independently developed by the Receiving Party, as established by documentary evidence, without reference to or use of, in whole or in part, any of the Disclosing Party's Confidential Information. For the purposes of this Agreement, "**Third-Party Confidential Information**" means confidential or proprietary information of third parties received by the Receiving Party for which the Receiving Party is subject to a duty to maintain the confidentiality of such information and to use it only for certain limited purposes.

- (b) **Sublicense.** Designer has granted to Company a right to sublicense certain Intellectual Property owned or created by Designer, as well as Designer Confidential Information, any Design Project, products, Garments, software, technology, know-how and other materials (collectively, "**Designer Materials**"), only as strictly necessary for Company's performance of the Company Services and/or the Partner Services. Subject to the terms and conditions of the Designer Agreement and this Agreement, Company hereby grants to Partner during the Term of this Agreement a non-exclusive, royalty-free, non-transferable, non-sub-sublicenseable sublicense to use the Designer Materials only as reasonably necessary for Partner's performance of the Partner Services and limited to the Term of this Agreement. For the avoidance of doubt, Partner may not grant sub-sublicenses under this Agreement under any circumstances. Partner

agrees that the sublicense granted herein is subject and subordinate in all respects to any terms, conditions, limitations and restrictions set forth in the Designer Agreement. For the avoidance of doubt, the Parties agree and acknowledge that no ownership right in the Designer Materials is being conveyed or assigned to Partner by this Agreement.

- (c) **Company Property.** Company owns all right, title, and interest, including all Intellectual Property, in and related to the Company Services and Partner Services (“**Company Property**”). Partner will not act to jeopardize, limit, or interfere in any manner with Company’s ownership of and rights with respect to the Company Property. For the avoidance of doubt, this Agreement does not convey any license or sublicense or other grant of rights that would allow Partner to sell, disclose, duplicate or otherwise use for any other purposes, any assets, material, property, artwork, designers or any other Company Property or any property belong to any Designer or third party.
- (d) **Third Parties.** Partner acknowledges that his, her or its obligations with regard to Confidential Information which are set out in this *Section 8*, extends to all information, know-how, records and tangible property of customers of Company (including Designers) or suppliers to Company or of any third party who may have disclosed or entrusted the same to Company or to Partner in the course of Company’s business.
- (e) **Defend Trade Secrets Acts of 2016.** Partner acknowledges and understands that, pursuant to the Defend Trade Secrets Act of 2016 (18 USC § 1833(b)), an individual may not be held criminally or civilly liable under any federal or state trade secret law for disclosure of a trade secret: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; and/or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, an individual suing an employer for retaliation based on the reporting of a suspected violation of law may disclose a trade secret to his or her attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the individual does not disclose the trade secret except pursuant to court order.

9. Partner Representations, Warranties and Covenants

Partner agrees, represents and warrants that:

- (a) Partner (i) is duly formed, validly existing and in good standing under the laws of the jurisdiction of its organization and authorized to do business in the United States, (ii) is not a person with whom a citizen of the United

States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, rule, regulation or executive order of the President of the United States, and (iii) has the requisite corporate, limited partnership or limited liability company power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

- (b) Partner hereby acknowledges and agrees that it will (i) use the Site, Platform, and/or Software and (ii) provide the Partner Services, in full compliance at all times with all relevant state, federal and local laws, statutes, rules, ordinances, regulations, policies and other requirements.
- (c) Partner will comply with all terms and conditions of this Agreement, the Terms of Use, the Commitment to CALA and other policies related to the provision of the Partner Services and the use of the Site, Software and Platform.
- (d) Partner's agreement to perform the Partner Services pursuant to this Agreement does not and shall not violate any agreement or obligation between Partner and any third party.
- (e) The Partner Services performed by Partner do not and will not infringe, violate, or misappropriate any right of a third party, including, but not limited to any privacy rights, copyright, patent, trade secrets, trademark, or other proprietary or intellectual property right held by any third party.
- (f) All Partner Services are and will be performed in a professional and workmanlike manner in accordance with generally accepted industry standards.
- (g) Partner has obtained and currently holds and shall, during the Term, maintain all necessary permits, licenses, and certificates, including, but not limited to, required city, county and state business permits, for the manufacturing and/or production of Garments. Such permits, licenses and certificates will be actively maintained and in good standing at all times during the term of this Agreement.
- (h) Partner is in compliance with all applicable laws whether they be local, state, federal or foreign, with respect to its employees, contractors and service providers.
- (i) As time is of the essence in the completion of a Design Project, Partner will (i) complete the agreed upon Partner Services in a timely manner on the date and time as agreed upon by Designer and Partner via the Platform, and (ii) meet all deadlines set and agreed upon by Designer and Partner via the Platform.
- (j) The agreed upon quality of garment, turnaround time of production, transparency in timeline and quality, and timely comments/feedback to Designer for each garment will occur as scheduled.

- (k) If completion of Partner Services becomes impossible or will be delayed for any reason, Partner will notify Company of such impossibility or delay immediately.
- (l) Partner will be responsible and liable for all costs incurred by Company for any Partner Services that are delayed, hindered, or unsatisfactory for any reason due to Partner's action or inaction (whether negligent or otherwise), including, but not limited to, late deliveries, low quality production, mistreatment or discrimination of Designers, lack of communication, unresponsiveness through the Platform, and illegal behavior.
- (m) Partner shall not directly contact Designer outside of the Platform, except for any legal proceedings arising out of non-payment for the Partner Services under *Section 3*, following Company Mediation.
- (n) Partner will not engage in any unfair competition with Company, or engage in any action which may constitute intentional interference with Company's prospective economic advantage.
- (o) Partner will not disclose, duplicate, sell, use for promotional means or otherwise use for any purposes, other than for providing Partner Services, any of the Designer's Design Projects, assets, material, property, artwork or designs.
- (p) Partner has obtained and currently holds all necessary permissions, rights and licenses to collect and use customer data needed for the fulfillment services and is in full compliance with all applicable local, state and federal laws, rules and regulations with respect to customer data and privacy.
- (q) Partner will promptly update Designer via the Platform as to any relevant updates with respect to any Design Project, including, but not limited to, completion of any preset list of tasks in connection with any Design Project.
- (r) Partner will not provide the Partner Services, or use the Site, Software or Platform in any manner that (i) violates any law, statute, ordinance or regulation; (ii) Partner should know is harmful, threatening, abusive, harassing, tortious, defamatory, vulgar, obscene, libelous, fraudulent, deceptive, or misleading or otherwise objectionable; or (ii) adversely affects or reflects negatively on our goodwill, name or reputation or causes duress, distress or discomfort to us or anyone else, or discourages any person, firm or enterprise from using all or any portion, feature, or function of the Company Services, Partner Services, Site, Software or Platform, or from advertising, liking or becoming a supplier to use in connection with the Company Services, Partner Services, Site, Software or Platform.

10. Indemnity

Partner agrees to indemnify, defend, and hold Company and its affiliates, successors and assigns, and all of their officers, directors, employees and agents harmless from any and all costs, expenses (including reasonable attorneys' fees), losses, damages, claims, causes of action, liabilities, demands, penalties, forfeitures, suits and judgments, which Company may hereafter incur, become responsible for or pay, as a result of any breach of Partner's representations, warranties, agreements or other promises contained in this Agreement.

11. Waiver and Release

Partner agrees that neither Company nor its officers, directors, stockholders, employees, agents, partners, licensors or suppliers ("**Company Personnel**") shall have any liability to Partner under any theory of liability or indemnity in connection with Partner's provision of the Partner Services or Partner's use of the Site, Software or Platform. Partner specifically acknowledges that neither Company nor Company Personnel shall be liable for the defamatory, offensive, or illegal conduct of any third party and that the risk of harm or damage from the foregoing rests entirely with Partner. Partner hereby releases and forever waives any and all claims Partner may have against Company or Company Personnel (including but not limited to claims based upon negligence) for losses or damages Partner sustains in connection with Partner's provision of the Partner Services or Partner's use of the Site, Software or Platform.

12. Non-Solicitation; Non-Circumvent; Non-Competition.

- (a) **Non-Solicitation.** To the fullest extent permitted under applicable law, for the Term and for eighteen (18) months following the expiration or earlier termination of this Agreement for any reason, Partner agrees that, it shall not, directly or indirectly, solicit or hire any of Company's employees, agents, subcontractors or contractors ("**Representatives**") whom Partner meets or who becomes known to Partner during, or as a result of, the Partner Services. The foregoing provision will not prevent Partner from conducting generalized solicitations for Company's Representatives through the use of media advertisements, professional search firms or otherwise not specifically targeted to any of Company's Representatives.
- (b) **Non-Circumvent; Non-Competition.** Due to this Agreement, Partner may be introduced to or learn of Designers, partners, persons, contacts, entities, customers, distributors, clients, Representatives and consultants of Company (collectively, "**Designated Parties**"). To the fullest extent permitted under applicable law, for the Term and for eighteen (18) months following the expiration or earlier termination of this Agreement for any reason, Partner agrees not to circumvent, attempt to circumvent,

or permit any other party or person on Partner's behalf to circumvent Company's relationships and/or agreements with the Designated Parties in any way, manner or form, including without limitation, contacting, calling on, soliciting, consummating transactions, contracts or engagements, or taking away, either directly or indirectly, any Designated Party without the prior written permission of Company. Further, Partner will not engage in any competition with Company, or engage in any action which may constitute intentional interference with Company's prospective economic advantage.

- (c) **Remedies.** In the event of any breach of this *Section 11*, Company, in addition to any other remedies at law or in equity that Company may have, will be entitled, without the requirement of posting a bond or other security, to seek equitable relief.

13. Liability Limitation

Notwithstanding the foregoing paragraph, neither Company nor Company Personnel shall be liable under any theory of law, for any indirect, incidental, punitive or consequential damages, including, but not limited to, loss of profits, business interruption, loss of information or data or costs of replacement goods, arising out of the use or inability to use the Site, the Company Services or the Platform or resulting from use of or reliance on the information presented, even if we may have been advised of the possibility of such damages. The Site and Platform are controlled and offered by us from our facilities in the United States of America. We make no representations that the site or platform is appropriate or available for use in other locations. Those who access or use the Site, the Company Services or the Platform from other jurisdictions do so at their own volition and are responsible for compliance with local law.

14. Relationship of Parties

Notwithstanding any provision hereof, Partner is an independent contractor and is not an employee, agent, or joint venturer of Company and shall not bind nor attempt to bind Company to any contract. Partner shall be solely responsible for the manner and hours in which the Partner Services are performed under this Agreement and Partner elects to accept or reject any request to provide Partner Services subject to the terms herein. Partner shall not be eligible to participate in any of Company's benefit plans, fringe benefit programs, group insurance arrangements or similar programs. Company shall not provide workers' compensation, disability insurance, Social Security or unemployment compensation coverage or any other statutory benefit to Partner.

15. Tools and Materials

As an independent contractor, Partner must furnish any tools, equipment and supplies necessary, if any, to provide the Partner Services. Company will provide a unique and protected login to the Platform that enables Partner to track, monitor and provide real time updates to their Company opportunities via the Platform. Company will also provide any necessary and reasonable training for Partner employees to use the Platform in the most efficient way.

16. Other Activities

Partner may refer potential designers to Company. It is at Company's discretion to allow the potential client to use the Platform as a Designer. In the event Company accepts the referred client as a Designer and grants the referred client access the Platform, a separate fee structure will be prepared and provided to Partner on a case by case basis. Partner understands and agrees that Company does not guarantee and is not obligated to accept a referred client as a Designer with access to the Platform and/or Company Services.

17. Miscellaneous

- (a) **Governing Law.** This Agreement, in compliance with Section 7, shall be governed by the laws of the State of New York, without regard to any conflict of laws provisions or rules (whether of the State of New York or any other jurisdiction) that would cause the application of laws of any jurisdictions other than those of the State of New York. The Parties acknowledge and agree that the state and federal courts located in New York City, New York shall have the exclusive jurisdiction and venue to adjudicate any claim for injunctive relief arising out of any Dispute or to enforce any arbitration judgment granted in compliance with Section 7(b). The Parties hereby unconditionally and irrevocably consent to the exercise by such courts of personal jurisdiction over them and each Party waives any objection it might otherwise have to venue, personal jurisdiction, inconvenience of forum, and any similar or related doctrine. In any action or proceeding to enforce rights under this Agreement, the prevailing Party will be entitled to recover reasonable costs and attorneys' fees.
- (b) **Injunctive Relief.** Any breach of *Section 7* (Property Rights of Parties) of this Agreement will cause irreparable harm to Company for which damages would not be an adequate remedy, and therefore, Company will be entitled to seek injunctive relief with respect thereto in addition to any other remedies.
- (c) **Waiver.** Our failure to insist upon or enforce strict performance of any provision of this Agreement shall not be construed as a waiver of any

provision or right. No waiver of any term, provision or condition of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or shall constitute, a waiver of any other term, provision or condition hereof, whether or not similar, nor shall such waiver constitute a continuing waiver of any such term, provision or condition hereof.

- (d) **Severability.** In the event that any provision of this Agreement shall be determined to be illegal or unenforceable, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable. Furthermore, in lieu of any such illegal or unenforceable provision hereof, the Parties shall add as a part of this Agreement a provision as similar in terms to such illegal or unenforceable provision as may be possible to be legal and enforceable.
- (e) **Entire Agreement.** This Agreement and the Terms of Use represent the entire understanding between the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous proposals, representations, agreements and undertakings related to the subject matter of this Agreement. This Agreement may be modified by us at any time as described in the introduction of this Agreement. Partner does not have a right to modify this Agreement, except in a written instrument signed by a duly authorized representative of Company.
- (f) **Assignment.** This Agreement and the Partner Services contemplated hereunder are personal to Partner and Partner shall not have the right or ability to assign, transfer or subcontract any rights or obligations under this Agreement without the written consent of Company. Any attempt to do so will be null and void and a material breach by Partner of this Agreement. Company may freely assign this Agreement, in whole or in part, to any third party.
- (g) **Notice.** All notices by Partner under this Agreement shall be in writing and shall be deemed given when personally delivered to Company, or three (3) days after being sent by US mail, overnight delivery to Company, 50 Eldridge Street, Floor 2, New York, NY 10002 or email to hi@ca.la. All notices by Company under this Agreement can be sent to Partner via email associated with the Platform.

Partner Commitment to CALA

Introduction

Corporate integrity, responsible product and service sourcing, and the safety and wellbeing of both our and our Partners' workers are of paramount importance

to This is CALA, Inc. (the “**Company**”). These principles apply to all aspects of the Company’s business, and encompass all manufacturers, distributors, vendors, and other partners (each a “**Partner**” and collectively “**Partners**”) that supply the products and services This is CALA offers to its customers.

These principles are reflected in this Partner Commitment to CALA (the “**Commitment**”), which establishes the minimum standards that must be met by any Partner that does business with the Company, regarding:

- Partner’s treatment of workers;
- workplace safety;
- the impact of Partner’s activities on the environment; and
- Partner’s ethical business practices.

Applicability

This Commitment applies to all Partners that provide products or services to the Company or its customers. Partner is responsible for compliance with the standards set out in this Commitment (“**Standards**”) throughout its operations and throughout its entire supply chain.

Without limiting Partner’s obligations hereunder, Partner shall comply with the Standards in:

- all of its facilities; and
- all of its operations, including with respect to manufacturing, distribution, packaging, sales, marketing, product safety and certification, intellectual property, labor, immigration, health, worker safety, and the environment.

Without limiting Partner’s obligations hereunder, Partner is responsible for compliance with the Standards by all of its partners, vendors, agents, and sub-contractors and their respective facilities (“**Partner Associates**”).

Partner shall disclose to the Company the names and contact information of its Partner Associates within thirty (30) days of acceptance of the Company’s Partner Agreement (the “**Partner Agreement**”). Partner shall notify the Company of the names and contact information of any new or former Partner Associates within thirty (30) days of adding, changing, or eliminating any Partner Associates.

Slavery and Human Trafficking

All labor must be voluntary. Partner shall not support or engage in slavery or human trafficking in any part of its supply chain.

Without limiting Partner's obligations hereunder, Partner shall not, and shall ensure that its Partner Associates do not, support or engage in, or require any:

- compelled, involuntary, or forced labor;
- labor to be performed by those under the age of local compulsory schooling protocols or under the age of fifteen (15), whichever is older;
- bonded labor;
- indentured labor; and
- prison labor.

Hiring of labor-only contracting, fixed-term contracts, apprenticeship schemes or any other comparable arrangement where there is no real intent to impart skills or provide regular employment must not be utilized with the intent to avoid labor rights, social security laws or local and national regulations.

Compliance and Documentation

Partner shall:

- Implement and maintain a reliable system to verify the eligibility of all workers, including:
 - age eligibility;
 - legal status of foreign workers; and
 - all other eligibility requirements imposed by federal, state and local law.
- Implement and maintain a reliable recordkeeping system regarding the eligibility of all workers.

Hazardous Work

Without limiting Partner's obligations hereunder, Partner shall not, and shall ensure that its Partner Associates do not, support or engage in, or require any hazardous labor to be performed by any person under the age of 18. Hazardous labor involves any work, that by its nature or the circumstances in which the

work is undertaken, involves the substantial risk of harm to the safety or health of the worker or coworkers if adequate protections are not taken.

Likewise, Partner shall not, and shall ensure that its Partner Associates do not, support or engage in, or require any night labor to be performed by any person under the age of 18. Night labor shall be any labor between the hours of nine (9) P.M. local time and five (5) A.M. local time.

Identification Papers

Without limiting Partner's obligations hereunder, Partner shall not require any worker to surrender control over original:

- identification papers or documents giving a foreign worker the right to work in the country;
- identification papers or documents, such as a passport, giving a foreign worker the right to enter or leave the country; or
- Identifying documents, such as a birth certificate, evidencing the worker's age.

Financial Obligations

Without limiting Partner's obligations hereunder, Partner shall not, whether or not as a condition of the right to work, require any worker (or worker's spouse or family member) to, directly or indirectly:

- pay recruitment or other fees or other amounts (monetary or in-kind);
- incur debt;
- make financial guarantees; or
- incur any other financial obligation.

Freedom of Movement

Without limiting Partner's obligations hereunder, Partner shall ensure that workers have the right of freedom of movement without:

- delay or hindrance; or
- the threat or imposition of any discipline, penalty, retaliation, or fine or other monetary obligation.

Worker freedom of movement rights include each worker's right to leave the facilities without retaliation:

- at the end of each workday;
- based on reasonable health and safety-related justifications; and
- based on any reasonable circumstances, such as personal or family emergencies.

Freedom to Terminate Employment

Without limiting Partner's obligations hereunder, Partner shall allow workers to terminate their employment or work arrangement after reasonable notice:

- without restriction; and
- without the threat or imposition of any discipline, penalty, retaliation, or fine or other monetary obligation.

Compensation and Benefits

Partner must compensate all workers with a living wage, which is enough to cover basic needs as well as discretionary income, including overtime premiums that meet the higher of:

- the minimum wage and benefits established by applicable law and International Labor Organization Convention, whichever is greater;
- collective agreements; and
- industry standards.

Partner's obligation to compensate and provide all legally required benefits, including paid leave and insurance, applies to all workers at all times, including during periods of training, apprenticeship, and probation.

Documentation

Partner shall:

- provide proof of payment to workers in the workers' native language showing hours worked, wage amounts and rates (regular, overtime, and bonus), and deductions;

- ensure that proof of payment is accurate, is clearly calculated, and enables workers to quickly verify the amount of payment and method of calculation; and
- maintain proper documentation of wage payments for their internal records.

Deductions

Partner shall not make any deductions from wages, except those required by law (e.g., income tax) and those that are legally allowed.

Work Hours

Regular Work Hours

Partner shall not require or allow workers to work more than the maximum legally permitted number of regularly paid hours worked per week.

All workers must receive at least one (1) day off for every seven (7) days of consecutive work. All Partners shall honor all local and national holidays by giving all workers the option to observe such holidays with time off without the threat of or imposition of any discipline, penalty or retaliation.

Overtime Work Hours

Additional overtime hours are voluntary, paid at a premium rate and must not exceed:

- Twelve (12) overtime hours per week.

Rest and Lunch Breaks

Partner shall allow workers to take:

- reasonable rest breaks, including bathroom breaks; and
- reasonable lunch breaks thirty (30) minutes in length per working shift.

Other Requirements

Partner shall:

- not require workers to work more than twelve (12) hours per continuous 24-hour period;
- permit workers to take at least one regularly scheduled day off per seven-day schedule;
- not require workers who voluntarily work on their designated rest day to work on their designated rest day more than four (4) weeks in a row;
- not require workers to work on nationally recognized or religious holidays;
- permit workers to take paid or unpaid leave as required by law; and
- not require or ask workers to take work home.

Documentation

Partner shall:

- use an industry-accepted time-keeping system to track worker work hours; and
- develop work-hour policies to ensure compliance with this Commitment and applicable law.

No Discrimination, Abuse, or Harassment

Partner shall not discriminate in hiring, compensation, training, advancement or promotion, termination, retirement, or any other employment practice based on race, color, national origin, gender, gender identity, sexual orientation, military status, religious beliefs, political or other personal beliefs, age, marital or pregnancy status, disability, or any other characteristic other than the worker's ability to perform the job.

Partner shall treat workers with respect and dignity.

Partner shall not subject workers to corporal punishment, or physical, verbal, sexual, or psychological abuse or harassment. Partner must not condone or tolerate such behavior by its Partner Associates.

Partner shall maintain a reporting program that provides each worker with the tools and procedures needed to raise concerns regarding discrimination,

harassment and abuse in the workplace without fear of repercussions or unfair treatment.

Partner shall base all hiring decisions solely on the each candidates ability to complete the job for which they are being considered and never on the basis of the candidates' race, color, national origin, gender, gender identity, sexual orientation, military status, religious beliefs, political or other personal beliefs, age, marital or pregnancy status, disability, or any other characteristic.

Health and Safety

Partner shall provide a safe, healthy, and sanitary working environment. Partner shall implement procedures and safeguards to prevent workplace hazards, and work-related accidents and injuries, including procedures and safeguards to prevent industry-specific workplace hazards, and work-related accidents and injuries, that are not specifically addressed in these Standards.

General and industry-specific procedures and safeguards include those relating to:

- health and safety inspections;
- equipment maintenance;
- maintenance of facilities;
- worker training covering the hazards typically encountered in their scope of work;
- fire prevention;
- documentation and recordkeeping; and
- all other procedures and safeguards required by local, state, federal and international law.

Partner shall provide workers adequate and appropriate personal protective equipment to protect workers against hazards typically encountered in the scope of work.

Facilities

Partner shall:

- ensure that all facilities meet all applicable building codes and industry design and construction standards;

- ensure that all facilities are kept sanitary at all times;
- obtain and maintain all construction approvals required by law;
- obtain and maintain all zoning and use permits required by law;
- without limiting Partner’s obligations hereunder, ensure that all facilities have:
 - an adequate evacuation plan;
 - adequate accommodations for any pregnant workers and parents necessary to prioritize the health of the mother and/or child (e.g., chairs, lactation rooms, etc.);
 - adequate, well-lit (including emergency lighting), clearly marked, and unobstructed emergency exit routes, including exits doors, aisles, and when applicable fire-rated enclosed stairwells;
 - a sufficient number of emergency exit doors, which are located on all sides of each building, are unlocked (from the inside), and are readily opened with minimal force from the occupied side and swing in the direction of emergency travel;
 - visible and accurate evacuation maps posted in the local language, and including a “you are here” mark;
 - adequate ventilation and air circulation;
 - adequate lighting;
 - adequate first aid kits and stations;
 - adequate fire safety, prevention, alarm, and suppression systems, including fire extinguishers on every floor;
 - adequate access to potable water; and
 - adequate access to private toilet facilities.

Partner shall post safety rules and written policies and practices relating to on the job safety, inspection results, incident reports, and permits, in each case, as required by law.

If Partner provides housing or dining facilities for its workers, such facilities shall be safe, healthy, and sanitary that comply with all the Standards set out in the Health and Safety section of this Commitment.

When applicable and without limiting Partner’s obligations hereunder, Partner shall obtain and maintain all food preparation or housing permits as required by law.

Partner Associate Diversity

Diversity and inclusion are among the Company's core values. The Company is committed to diversity and inclusion, not only in employment, but also in procurement. The Company demonstrates its commitment to diversity in the procurement process through its ongoing efforts to recruit and develop business relationships with businesses controlled (at least fifty-one percent (51%) owned) by women, minorities, veterans or service-disabled veterans, disabled persons or members of the LGBT community (each a "**Diverse Business**"). To further diversity in the procurement process the Partner will strive to:

- maintain a plan to aggressively recruit and develop business relationships with Diverse Businesses (a "**Diverse Partner Associate**");
- maintain a system to track all Diverse Partner Associates utilized by the Partner in Company related business and report such numbers to the Company on an annual basis;
- report the percentage of Company related business allocated to Diverse Partner Associates to the Company on an annual basis; and
- notify the Company of any change in ownership of a Diverse Partner Associate within thirty (30) days of such a change in ownership.

Freedom of Association and Collective Bargaining

Partner shall respect, and shall not interfere with, the right of workers to decide whether to lawfully associate with groups of their choice, including the right to form or join trade unions and to engage in collective bargaining.

Without limiting Partner's obligations set out above, Partner shall not:

- take any action to prevent or suppress the workers' exercise of freedom of association or collective bargaining rights;
- discriminate or retaliate against, or discipline or punish, any worker who supports or exercises freedom of association or collective bargaining rights;
- discriminate or retaliate against, or discipline or punish, any worker representative;
- discriminate or retaliate against, or discipline or punish, any worker who raises collective bargaining compliance issues; or
- discriminate or retaliate against, or discipline or punish, any worker based on union membership or the worker's decision to join or not join a union.

Environmental Protection

Partner shall take a progressive approach to minimize negative impacts on the environment and maintain and continuously improve environmental policies and standards and maintain measure and show evidence of an intention to create a more sustainable future.

Operation of Partner's Facilities

Partner shall meet all relevant local, national and international regulations and maintain all valid permits required for:

- waste disposal;
- environmental management systems (ISO14001 certification)
- emissions;
- conform to all applicable labeling and warning requirements;
- energy and GHG emissions;
- discharges;
- hazardous and toxic material handling; and
- all other permits and certifications required by law or regulation.

Monitoring of Emissions

Partner shall disclose their energy sources to the Company and take an aggressive approach towards adopting low carbon and renewable energy sources. Partner shall achieve improvements in energy efficiency in line with the GHG Protocol. Over time, Partner must show a reduction or the complete elimination of the use of greenhouse gases and other air emissions that pose a hazard to the environment.

Partner shall reduce their impact the environment and must:

- maintain a water impact management system and plans for water consumption and reduction;
- report to the Company its total annual water usage;
- maintain management systems to facilitate the reduction and elimination of hazardous chemicals and toxic waste;

- maintain a management system and emissions plan to reduce, control or eliminate air emissions of volatile chemicals, corrosives, particulates, aerosols and combustion products;
- maintain tracking systems for all hazardous and non-hazardous chemical emissions of the Partner and Partner Associates.

Recycling and Conservation

Partner shall maintain an environmentally friendly waste management system and recycling program and shall proactively make every effort to minimize waste. Such recycling program shall manage industrial and non-industrial waste including fabric scraps, production scraps, paper, cardboard, plastics, and any other recyclable material.

The Partner shall maintain measure and show evidence of control of solid and hazardous waste including storage, handling, onsite disposal, offsite disposal, transportation, and waste contractors.

Partner shall conduct all operations in full compliance with all applicable laws and regulations including maintaining valid permits governing land use and biodiversity. The Partner shall, under no circumstances, have a negative impact on designated protection areas or species.

Partner shall provide:

- to the Company the Partner's annual greenhouse CO2 gas emissions;
- to the Carbon Disclosure Project the Partner's annual greenhouse CO2 gas emissions; and
- to the Company the Partner's annual production of solid waste.

Gifts and Entertainment

Partner must maintain the highest ethical standards. Partner must not offer cash, favors, gifts, or entertainment to the Company's team members. Partner shall also comply with the Company's Foreign Corrupt Practices Act (FCPA) Policy, as described in the Partner Agreement.

Report Violations

Partner shall self-report any violations of the Commitment. Partner can also submit questions and comments regarding the Commitment, to the Company's liaison set out below:

Head of Business Operations and Corporate Strategy Marc Sourour 50 Eldridge St., Second Floor New York, NY 10002 Phone: (917) 633-7612 Email: marc@ca.la

Partner shall not retaliate or take disciplinary action against any worker who has, in good faith, reported violations or questionable behavior, or who has sought advice regarding this Commitment.

Compliance with Laws

Partner shall comply with all applicable national and local laws and regulations, including laws and regulations relating to all the Standards. Where this Commitment requires Partner to meet a higher standard than set out by law or regulation, Partner shall meet such higher standards. Partner acknowledges that these Standards set out audit standards that the Company may use to determine whether Partner is meeting the requirements set out in this Commitment.

Partner acknowledges that the Company may in its discretion conduct inspections of the facilities to confirm Partner's compliance with this Commitment. The Company has no obligation to conduct inspections.

Termination

The Company may immediately terminate its Partner Agreement (including any Design Projects (as defined in the Partner Agreement) thereunder) with Partner if Partner or its Partner Associates fail to meet the Standards.

Community Involvement

Partners are encouraged to advocate for education and sustainable solutions to eradicate child labor within their local region. Partners should work to incorporate diversity and inclusivity into the workplace starting with unbiased hiring practices. It is also suggested Partners become invested in their local communities to understand how, as a company, the Partner can have a positive impact on minority and/or disadvantaged groups. Partners should encourage workers to participate in activities that increase health and wellbeing.