

## Partner Agreement

This Partner Agreement (the “Agreement”) is made and entered between This is CALA, Inc. (hereafter referred to as “Company”, “we”, “us”, “our” or “CALA”) and you, the partner (hereafter referred to as “Contractor”, “you”, “your” or “yours”). In consideration of the covenants and conditions described below, Company and Contractor agree as follows:

**BY CLICKING ON THE “ACCEPT” BUTTON, YOU (1) 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.**

PLEASE NOTE THAT TO BE VETTED AS A PRODUCTION CONTRACTOR AND TO USE CALA PLATFORM (AS DEFINED HEREIN) AND THE ASSOCIATED SOFTWARE (AS DEFINED HEREIN), YOU MUST AGREE TO THE TERMS AND CONDITIONS SET FORTH BELOW. 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 SERVICES AND YOU MAY NOT ACCESS OR USE ANY PORTION OF THE SITE (AS DEFINED HEREIN) OR PLATFORM.

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 July 1, 2019.

### 1. Production Services

- (a) General. Company provides certain services to designers (the “Services”) through a technology platform (the “Platform”) which includes our proprietary software and content (the “Software”) on our online website (including all content and functionality available through the <https://ca.la/> domain name, the “Site”) and mobile application (the “App”) to connect

designers (“Designers”) with Contractors in connection with the production of garments and/or accessories (collectively, the “Garments”) in a Designer’s project (the “Design Project”) for the fulfillment by Contractor of certain production services, including, but not limited to, fabric manufacturing, trim vendors, technical designers, pattern makers, sourcing services, sample makers, production, and fulfillment vendors (the “Production Services”).

- (b) Production Services. Once a Designer submits a proposed Design Project through the Platform, Company or Contractor may review such Design Project to determine the complexity level in connection with the Production Services required to fulfill and complete the Design Project (the “Design Level”). If you choose to provide Production Services for a Design Project, within 24 hours of the designation of the Design Level, you will submit a request to receive a bid (the “Bid”) for all costs and fees (including without limitation, pattern-making, material sourcing, prototypes, product development, custom labels, a SMS for final approval, bulk units, and a keep sample for Company), required for your Production Services to complete the Design Project based upon the Design Level. Once Company sends the Bid to Partner, you have 72 hours to accept or reject the Bid. If you accept the Bid, the costs and fees are final. You understand and agree that (i) Company, in its sole discretion, may match and connect you with the Designer based on your compatibility of the Production Services you offer; (ii) once you accept the Bid and you begin Production Services, you will first provide a sample (the “Sample”) of the Garment to Designer prior to commencing full production; (iii) you will commence full production of Garments only upon acceptance and approval of the Sample by Designer (the “Approved Sample”); (iv) once accepted by Company, the Bid shall be the final and full pricing for a Design Project to be paid to you; (v) provided that Designer does not instruct you to deviate from an Approved Sample, you will be responsible for replacing production of Garments and all costs associated with such reproduction in the event the completed Garments materially deviate from or do not conform to the Approved Sample; (vi) determining a Design Level and/or submitting a request for a Bid does not guarantee that Company will be match you with a Designer to fulfill a Design Project; and (vii) there is no guarantee that a Designer will choose you to complete and fulfill a Design Project. All fees for your Production Services shall be paid to you based on the Bid, pursuant to Section 3 of this Agreement. 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 7 hereof, and Contractor agrees not to discuss the Bid with the Designer.

**By accepting the terms of this Agreement, you expressly agree to the provisions of this Section 1 “Production Services”.**

- (c) Shipping and Delivery. Contractor understands and agrees that for the production and/or fulfillment of Garments (the “Produced Garments”), (i) shipping and delivery costs for references, samples and bulk shall be handled by Company, if the Design Project requires the production and/or fulfillment of Garments; (ii) Company may choose to store any Produced Garments at a warehouse partner (the “Warehouse Partner”) prior to delivery to Designer; (iii) all Produced Garments shall be shipped to the address and contact information provided by Designer through the Platform; (iv) Company or Warehouse Partner shall choose a nationally recognized courier service (“Courier”) to deliver the Produced Garments to Designer and notify Designer of the ship date and expected delivery time of the Produced Garments; (v) if Produced Garments are damaged, defective, or otherwise incomplete (the “Damaged Garments”), upon delivery, Designer or Company will have 30 days (the “Notification Period”) to notify and provide evidence to you of such Damaged Garments and you shall work with Company and Designer 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 you, all at your cost and expense; (vi) you shall be responsible for all shipping and delivery costs for the return of Damaged Garments to you; provided, however, that if Designer or Company does not report Damaged Garments to you within the Notification Period, Designer or Company shall be responsible for and bear all shipping and delivery costs for the return of Damaged Garments to you; (vii) CALA and Designer shall not be responsible for any damage caused by Warehouse Operator or Courier to the Produced Garments and Contractor’s sole recourse will be against Courier for such damage; (viii) Contractor shall be responsible for handling all complaints received by Designer and any return shipping costs in connection with any Damaged Garments; and (ix) the Fulfilled Production Payment (as defined in Section 3) will not be remitted to Contractor 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 30 days, and (C) Designer remits the Fulfilled Production Payment to CALA.

## **2. Term; Termination**

This Agreement shall commence on the date you first accept the terms herein and will continue in effect for twelve (12) months thereafter (the “Initial Term”). Following the Initial Term, the 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.

If either party breaches a provision of this Agreement, the other party may terminate the Agreement immediately upon written notice to the other party. Except for a material breach, the non-breaching party shall give written notice to the other party of the breach of the Agreement and the breaching party will have five (5) days thereafter to cure the non-material breach.

### **3. Fees**

Company shall pay you the Bid amount actually paid by Designer and received by Company for the Production Services provided to Designer, less any credit card processing fee incurred by Company for processing the Designer's payment. You understand and hereby agree that (a) Company may at times charge Designer an amount greater than the Bid (the "Rate Increase") for your Production Services; (b) in the event of such Rate Increase, you are only entitled to receive the Bid and Company is not obligated or liable to you for any other payment over the Bid; (c) payment of the Bid shall be made to you with 30% of such payment up front within 10 business days of receipt from Designer and the remaining 70% of the payment upon your full completion of the Produced Garments and within 10 business days of receipt from Designer (the "Fulfilled Production Payment"); (d) Company will not be liable to you or obligated to pay you for any costs, fees, or damages of any kind due to a Designer's non-payment for the Production Services and your sole recourse for non-payment for completed Production Services will be solely against Designer; (e) neither CALA nor Designer will be liable to you for any costs you incur in the event you commence production of Garments without Designer's consent or acceptance of an Approved Sample; (f) you will set up and have an active account with Stripe (or Veem in China) to receive payment from Company; (g) Company is not liable or responsible in any way, including, but not limited to, any damages or fees, incurred by you for your failure to set up and maintain an active account with Stripe (or Veem in China); and (h) other than disputes arising out of non-payment by Designer, under no circumstance and in no event will you contact a Designer directly by any means to discuss the Bid, or any portion thereof, or any payment details in connection with this Agreement.

**By accepting the terms of this Agreement, you expressly agree to the provisions of this Section 3 "Fees".**

### **4. CALA Deactivation Policy**

CALA's goal is providing reliable and long lasting partnerships with both Designers and Contractors. CALA does this by connecting the top Designers with the top Contractors in terms of design, quality, reliability, accountability, and transparency in communication. This is only possible when Designers trust Contractors and vice versa. If we determine, in our sole discretion, that you have breached the terms of this Agreement, you may be barred or suspended

from using the Platform, either temporarily or permanently, depending on the seriousness of the breach.

After every Designer produces product through the Platform, the Designer may rate a Contractor on a five-star scale and give feedback. This system holds Contractor accountable for their production quality. Accountability helps create a respectful environment for both Designers and Contractors. Contractor can see their current rating in the Platform. Likewise, Contractors may rate Designers and give feedback through the Platform. The easiest way to keep the average rating high is to provide exceptional quality Production Services and turnaround time on every Design Project. If Designer instructions are outside of scope of the Design Project, Contractor should notify CALA immediately.

## **5. Compliance With The Law**

Contractors using the Site and/or Platform agree to and shall act in compliance with all relevant state, federal and local laws at all times.

## **6. Dispute Resolution**

The parties agree that any controversy or dispute between the parties concerning this Agreement, including deactivation of Contractor's access to the Platform or the construction or application of any of the terms, covenants, or conditions of the Agreement, will first be subject to reasonable good faith efforts by the parties to resolve such dispute, and if such good faith efforts are not successful, 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 you 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 arbitrators familiar with the commercial practices of Company and Contractor's industry. Each party shall be entitled to select one arbitrator, which two 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, or (b) an action to enforce an award obtained in an arbitration proceeding in accordance with this Section.

## 7. Property Rights of the Parties

Contractor recognizes and acknowledges that the Company possesses certain Confidential Information (as defined herein) that constitutes a valuable, special and unique asset of Company. As used herein, the term “Confidential Information” includes all information and materials belonging to, used by, or in the possession of Company or obtained by Contractor through the Platform, including, but not limited to information relating to Company’s products, processes, services, technology, inventions, patents, ideas, contracts, financial information, developments, business strategies, pricing, customers, current and prospective Designers, Design Projects, Design Levels determined by Company, the Bid, marketing plans and trade secrets.

Contractor agrees that all Confidential Information is and shall continue to be the exclusive property of the Company, whether or not prepared in whole or in part by the Contractor and whether or not disclosed to or entrusted to the Contractor’s custody. Except pursuant to a court order, or as otherwise specifically required by law as determined by your legal counsel, or with the written consent of the Company, you covenant and agree that you will not, at any time following the acceptance of this Agreement and following termination of this Agreement, disclose to any third party (including without limitation the Designer) or use in any manner any Confidential Information of the Company.

## 8. Contractor Representations and Warranties

Contractor agrees, represents and warrants that:

- Contractor’s agreement to perform the Production Services pursuant to this Agreement does not violate any agreement or obligation between Contractor and any third party.
- The Production Services performed by Contractor will not infringe, violate, or misappropriate any right of a third party, including, but not limited to any privacy rights, copyright, patent, trade secrets, trademarks, or other proprietary or intellectual property right held by any third party.
- All Production Services will be performed in a professional and workman-like manner in accordance with generally accepted industry standards.
- Contractor has obtained and currently holds 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.
- Contractor is in compliance with all local, state and federal law with respect with respect to its employees, contractors and service providers.
- As time is of an essence in the completion of a Design Project, Contractor will (a) complete the agreed upon Production Services in a timely manner

on the date and time as agreed upon by Designer and Contractor, and (b) meet all deadlines set and agreed upon by Designer and Contractor.

- 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.
- If completion of Production Services becomes impossible or will be delayed for any reason, Contractor will notify Company of such impossibility or delay no less than 10 business days in advance.
- Contractor will be responsible and liable for all costs incurred by Company for any Production Services that is delayed, hindered, or unsatisfactory for any reason due to Contractor's action or inaction, 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.
- Except for any disputes arising out of non-payment of Production Services by Designer under Section 3, Contractor will not contact any Designers directly outside of the Platform; provided, however, that, in cases of disputes arising out of non-payment of Production Services, prior to contacting Designer, Contractor agrees to provide Company with (a) written notice of such intent to contact Designer, and (b) a period of fifteen (15) days in which Company may, in its sole discretion, choose to contact Designer directly to cure such non-payment.
- Contractor will not engage in any unfair competition with Company, or engage in any action which may constitute intentional interference with CALA's prospective economic advantage.
- Contractor will not disclose, duplicate, sell, use for promotional means or otherwise use for any purposes, other than for providing Production Services, any of the Designer's Design Projects, assets, material, property, artwork or designs.
- Contractor 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.
- Contractor will promptly update Designer via the Platform as to any relevant updates with respect to the Design Project, including, but not limited to, completion of any preset list of tasks in connection with a Design Project.
- Contractor will not use the Services, Site, App or the Platform in any manner that (a) violates any law, statute, ordinance or regulation; (b) you should know is harmful, threatening, abusive, harassing, tortious, defamatory, vulgar, obscene, libelous, fraudulent, deceptive, or misleading or otherwise objectionable; or (c) 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 Services, Site, App,

or Platform, or from advertising, liking or becoming a supplier to use in connection with the Services, Site, App or Platform.

## **9. Indemnity**

Contractor agrees to indemnify, defend, and hold Company and its successors, officers, directors, agents and employees harmless from any and all costs, expenses (including reasonable attorneys' fees), losses, damages, claims, liabilities, demands, penalties, forfeitures, suits and judgments, which Company may hereafter incur, become responsible for or pay, as a result of your performance of the Production Services described herein or arising out of, or in connection with any breach of your representations contained herein or any breach of this Agreement by Contractor.

## **10. Waiver and Release**

YOU AGREE THAT NEITHER WE NOR OUR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, LICENSORS OR SUPPLIERS SHALL HAVE ANY LIABILITY TO YOU UNDER ANY THEORY OF LIABILITY OR INDEMNITY IN CONNECTION WITH YOUR USE OF THE SITE, THE APP, THE SERVICES, OR THE PLATFORM. YOU SPECIFICALLY ACKNOWLEDGE THAT WE SHALL NOT 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 YOU. YOU HEREBY RELEASE AND FOREVER WAIVE ANY AND ALL CLAIMS YOU MAY HAVE CALA, OUR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, LICENSORS OR SUPPLIERS (INCLUDING BUT NOT LIMITED TO CLAIMS BASED UPON THE NEGLIGENCE OF CALA, OUR OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, LICENSORS OR SUPPLIERS) FOR LOSSES OR DAMAGES YOU SUSTAIN IN CONNECTION WITH YOUR USE OF THE SITE, THE APP, THE SERVICES, OR THE PLATFORM.

## **11. Liability Limitation**

NOTWITHSTANDING THE FOREGOING PARAGRAPH WE WILL NOT 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 APP, THE 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, THE APP AND PLATFORM ARE CONTROLLED AND OFFERED BY US FROM OUR FACILITIES IN THE UNITED STATES OF AMERICA. WE MAKE NO REPRESENTATIONS THAT THE SITE, THE APP OR PLATFORM IS APPROPRIATE OR AVAILABLE FOR USE IN OTHER LOCATIONS. THOSE WHO ACCESS OR USE THE SITE, THE APP, THE SERVICES OR THE PLATFORM FROM OTHER JURISDICTIONS DO SO AT THEIR OWN VOLITION AND ARE RESPONSIBLE FOR COMPLIANCE WITH LOCAL LAW.

## **12. Relationship of Parties**

Notwithstanding any provision hereof, Contractor 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. Contractor shall be solely responsible for the manner and hours in which the Production Services are performed under this Agreement and Contractor elects to accept or reject any request to provide Production Services subject to the terms herein. Contractor 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 Contractor.

## **13. Tools and Materials**

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

## **14. Other Activities**

Contractor may choose to solicit new designer clients on his/her/its own. If Contractor would like to recommend potential designer clients to CALA, it is at CALA's discretion if the potential client can use the Platform as a Designer. In the event CALA accepts the referred client as a Designer to assess the Platform, a separate fee structure will be prepared and provided to Contractor on a case by case basis. Contractor understands and agrees that Company does not guarantee and is not obligated to accept a referred client to become a Designer with access to the Platform and/or Services.

## 15. Miscellaneous

- (a) Governing Law. This Agreement shall be governed by the laws of the State of New York without regard to its conflict of laws provisions.
- (b) Injunctive Relief. Any breach of “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 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.
- (e) Entire Agreement. This Agreement and the Terms of Use represents the entire understanding between the parties with respect to the subject matter hereof to the exclusion of all waivers to the Agreement will be effective unless in writing and signed by both parties.
- (f) Assignment. This Agreement and the Production Services contemplated hereunder are personal to Contractor and Contractor 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 void.
- (g) Notice. All notices under this Agreement shall be in writing and shall be deemed given when personally delivered, or three days after being sent by US mail, overnight delivery, email, or facsimile to the address of the party to be noticed as set forth herein or to such other address as such party last provided to the other by written notice.