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# General Terms & Conditions of Sale STICHD Limited (Hong Kong) November 2024

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# This document outlines the General Terms & Conditions of sale STICHD Limited (Hong Kong) November 2024.

## ARTICLE 1.0 GENERAL PROVISIONS AND DEFINITIONS

A. In these STICHD general terms and conditions of sale (hereinafter referred to as: 'General Conditions'), STICHD Limited (registered under laws of Hong Kong with the Companies Registry business registration number 39492238 (Companies Registry ) is referred to as the 'Seller', and buyer is referred to as the 'Buyer'. The purchase agreement between Seller and Buyer is referred to as the 'Agreement'.

B. These General Conditions apply to all offers from Seller and all Agreements. These General Conditions shall also, after they have become part of any Agreement, form part of agreements concluded afterwards, even if at the conclusion of the Agreements concluded afterwards there has been no reference to the applicability of these General Conditions, unless the parties have expressly agreed otherwise in writing.

C. Applicability of Buyer's general terms and conditions is expressly rejected, unless accepted by Seller in writing.

## ARTICLE 2.0 CONCLUDING AGREEMENTS

A. Any offer is subject to contract and will only become binding to Seller once the order has been confirmed in writing by Seller. Buyer shall not be entitled to revoke or cancel the order after confirmation by Seller without the express written consent of Seller. Buyer shall indemnify Seller in full for the total order value as compensation for any losses or damages incurred due to the revocation or cancellation of the order. This compensation shall include, but is not limited to, expenses already incurred by Seller in the preparation or fulfilment of the order, as well as any lost profits or additional costs arising from the cancellation. Seller shall not be liable for any loss, damage, or expense arising from Buyer's inability to revoke or cancel an order without Seller's consent.

B. Seller reserves the right to cancel (wholly or in part) any order at any time for whatever reason upon notice to Buyer. Seller shall not be liable for any damages regarding such cancellation.

C. Any amendment to the Agreement or conditions varying from these General Conditions shall only apply when agreed in writing. These varying conditions shall only apply to the offer or the Agreement for which the variations were drafted.

D. In case of any conflict between a provision of the General Conditions and a provision of the Agreement, the provision of the Agreement prevails.

## ARTICLE 3.0 DELIVERY PERIOD

A. The delivery period and/or other terms and dates as set out in the Agreement are intended purely as an indication and are not absolute deadlines unless specifically agreed otherwise in writing.

B. Delay as a result of a change in circumstances and/or late delivery of materials by third parties (which shall also be taken to mean: suppliers of Seller and irrespective of the cause), means that the delivery dates will be extended by the period of the delay.

C. Exceeding the delivery periods does not provide any entitlement to damage compensation or termination of the Agreement. Late delivery may never constitute grounds to refuse to receive or pay for the goods.

## ARTICLE 4.0 DELIVERY AND RISK TRANSFER

A. Delivery will be made FOB COO, in accordance with the Incoterms 2020, unless otherwise agreed in writing. Buyer shall – at first request of Seller – instruct its carrier to issue an on board waybill/bill of lading. Buyer is obliged to provide Seller with proof of import to the country of destination. Buyer is obliged to fulfil import clearance and to timely instruct its carrier to meet this obligation. If Buyer fails to fulfil such clearance in time (within 90 days after the shipping date), Buyer shall reimburse Seller immediately upon demand an amount equal to the sum of: the total amount of sales, value added, goods and services or other consumption taxes, import duties and/or fines payable or imposed on Seller (related to non-timely clearance), without prejudice to Seller's other rights and remedies, including without limitation the right to claim specific compensation for the actual loss suffered.

B. If Buyer fails to take delivery or refuses to accept the goods, Seller shall have the right to charge Buyer for the storage of the goods and Buyer shall bear the risk of the storage. Moreover, in this case, Seller has the right to terminate the Agreement, without prejudice to its right to claim performance and/or integral damage compensation.

C. Notwithstanding the provisions of paragraph b., Buyer and Seller may agree that Seller will handle the transport. In this case, the risk of storage, loading, transport and unloading will also be for Buyer. Buyer shall take out insurance against such risks.

D. Seller has the right to deliver an order in one instalment or several successive instalments. In the latter case, Seller shall have the right to invoice Buyer separately for each partial delivery and to demand payment for each partial delivery. If and for so long as a partial delivery is not paid by Buyer, Seller shall not be under any obligation to make the next partial delivery. Seller has the right to choose to suspend or terminate the Agreement, to the extent that the Agreement has not been executed, without notice of default to Buyer being required, without prejudice to its other rights, including its right to claim damages.

## ARTICLE 5.0 RETENTION OF TITLE AND RIGHT OF PLEDGE

A. Seller retains ownership of all goods supplied by Seller to Buyer until Buyer has met its obligation to pay the Seller on the basis of the Agreement, including interest, costs and/or damage compensation.

B. As long as the ownership of the goods delivered has not been transferred to Buyer, Buyer is not entitled to sell the delivered goods or to use the goods delivered in any way without the express written permission of Seller.

C. In the case of such a (re)sale, Buyer shall immediately assign to Seller its rights against its purchaser up to the amount of open invoices and notify its purchaser of such assignment. Buyer shall upon demand of Seller enforce such rights on behalf of Seller.

D. Buyer shall store the goods delivered under retention of title separately with the required care and identifiable as the property of Seller and Buyer shall insure the goods against the usual risks.

E. Where applicable, Seller shall have the right to unlimited access to the goods under retention of title. Buyer shall fully cooperate with seller to exercise the retention of title referred to in this article, by repossessing the goods including any dismantling required.

F. In as far as Seller cannot claim retention of title as referred to above, Seller transfers the goods to be transferred by Seller to Buyer, with the simultaneous establishment of an automatic right of pledge.

G. If Buyer fails to meet any of its payment or other obligations to Seller, Seller may:

1. impose a right of pledge on all the property owned by Buyer, whether or not supplied by Seller, both present and future, and

also on all claims brought by Buyer against third parties in the present or in the future; and

2. require the return (at the cost and expense of Buyer) of some or all of the goods delivered under retention of title which return Buyer shall forthwith arrange without any counterclaim.

H. Regarding the stipulations in the previous two paragraphs, Buyer is obliged to cooperate with the creation and signing of a notarial deed. The costs for this will be charged to Buyer.

## ARTICLE 6.0 CONFORMITY

A. Samples and/or pictures of the goods are provided to Buyer by Seller for indicative purposes only. Buyer shall not derive any rights from samples and / or pictures disclosed in any way by Seller.

## ARTICLE 7.0 QUALITY REQUIREMENTS

A. Buyer, by accepting these General Conditions, undertakes to comply, during the marketing and sale of the goods, with the following quality requirements (as well for brick-and-mortar store as for online stores):

1. To ensure a high level of exterior and interior lay-out of each store;
2. To ensure a high level of skills and qualification of the sales personnel/ customer service; and
3. To be aligned with the image, quality, and reputation of the brands of (licensors of) seller.

next to any other requirements that are communicated by Seller to Buyer.

Furthermore, Seller will provide Buyer with the requirements at its first request.

B. This obligation also applies to Buyer's customers with whom Buyer does business and, as such, Buyer must also actively impose the quality requirements to its customers, which customers must in turn and where relevant also include this obligation in the relation/agreements that they are (required to) enter(ing) into with their customers.

C. If Buyer does not comply with this obligation to market and sell the goods in accordance with the applicable quality requirements and/or does not pass on and/or include this obligation (via agreements or otherwise) in dealings it concludes with its own customers, Buyer shall pay Seller upon demand the amount of HKD 200,000.00 (in words: two-hundred thousand Hong Kong dollars) for each violation and HKD 7,800.00 (in words: seven thousand and eight-hundred Hong Kong dollars) for every day that this violation continues.

## ARTICLE 8.0 POINTS OF SALE AND TERRITORY

A. Unless explicitly agreed otherwise between Seller and Buyer in writing, Buyer is not permitted to sell the goods through online marketplaces.

B. Unless explicitly agreed otherwise in writing between Seller and Buyer, Buyer is only entitled to sell the goods within the Hong Kong Special Administrative Region of the People`s Republic of China.

C. In case Buyer operates at the wholesale level of trade, Buyer is not entitled to actively or passively sell the goods to end consumers.

D. The obligations of this article 8 shall also apply to Buyer's customers with whom Buyer does business and, as such, Buyer must also actively impose these obligations to its customers in a written agreement, which customers must in turn and where relevant also include these obligations in the relation/agreements that they are (required to) enter(ing) into with their customers.

E. In the event of a violation of one or more provisions of this article 8, Buyer shall pay Seller upon demand the amount of HKD 200,000.00 (in words: two-hundred thousand Hong Kong dollars), without prejudice to the right of Seller to demand full compensation.

## ARTICLE 9.0 PRICE

A. All prices are based on the price level at the time the Agreement was concluded. Prices are excluding sales, value added, goods and services or other consumption taxes, any turnover tax due, costs of transport and delivery, packaging, insurance, import duties, levies and other taxes, unless otherwise agreed in writing.

B. Changes in cost factors including, but expressly not limited to, labour costs, cost price of (raw) materials, value added tax (or any other value added tax overseas), the import tax, import duties or any other duties, shipping costs and transport costs relating to the agreed performance that will occur after the Agreement has been concluded, give Seller the right to charge these costs to Buyer.

## ARTICLE 10.0 PAYMENT

A. All amounts due from Buyer under this Agreement shall be paid in full within the agreed payment period without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

B. If no specific payment period has been agreed, payment must take place within 30 days after the invoice date.

C. Buyer will be legally in default after the expiry of the period within which payment should have taken place, therefore without the requirement for a summons or notice of default. Seller will never be regarded as having relinquished the rights derived from this stipulation if he addresses such a summons to Buyer.

D. Furthermore, Buyer is liable to pay the statutory commercial interest over the main sum or the unpaid part thereof from the first day upon which he is in default in relation to Seller until complete payment has been received by Seller, whereby a part of a month counts as an entire month for the calculation of the interest. Seller is authorised to first ascribe payments received as fines and/or penalties due and then the interest pursuant to this stipulation, followed by the remaining outstanding sums.

E. If Buyer fails to meet any obligation or fails to meet such an obligation on time, Seller is entitled to charge the extra-judicial collection costs to Buyer if Seller - in its judgement – is obliged to call in third parties in order to collect the sums owed by Buyer. The amount of these extrajudicial collection costs is 15% of the total outstanding invoice amount, on the understanding that a minimum of HKD 2,000.00 (in words: two thousand Hong Kong dollars) will be due in any case.

## ARTICLE 11.0 DEFAULT

If Buyer is in default and/or Seller determines in Seller's sole opinion that Buyer will not meet its payment obligations or not (be able to) meet them on time, Seller may, without being liable to pay any damage compensation and without prejudice to its other rights:

1. to demand advance payment or guarantees from Buyer and/or;
2. to suspend its obligations under the Agreement partially or completely and/or;
3. to reschedule the agreed payment periods, possibly in other Agreements, making all outstanding claims against Buyer payable immediately.

## ARTICLE 12.0 COMPLAINTS

A. Without prejudice to the stipulations below relating to the period within which complaints may be submitted, Buyer is obliged in all cases to check the items prior to using them, selling them and/or supplying them to third parties. In this stipulation, the obligation to conduct these checks includes the checking of the packaging.

B. Complaints submitted by Buyer must be submitted in writing no later than 14 days after delivery. Failure to do so will cause Buyer's rights to lapse.

C. Complaints submitted by Buyer must be on the grounds of quality, condition, or quantity and must be substantiated with image report.

D. Complaints regarding the normal or minor deviations in quality, colour, width, weight, finish, or design that are technically unavoidable in the trade will be rejected. If the complaint is assessed as justified, Seller is entitled to rework the goods or to replace them within forty days of the return shipment with goods that are free of the faults that led to the complaint.

## ARTICLE 13.0 LIMITED WARRANTY

A. Terms implied by the Sale of Goods Ordinance (Cap. 26) are, to the fullest extent permitted by applicable laws, excluded from this Agreement.

B. Announcements by or on behalf of Seller relating to the quality, treatment in the broadest sense or general properties of the goods, only bind Seller if they are made in writing and are expressly stated to constitute a warranty.

C. Without prejudice to other provisions of these General Conditions, the goods are covered by a one year limited warranty that they conform to their specification which commences on the date of delivery of the goods to Buyer.

D. Seller's responsibility shall be limited to the repair or replacement of the goods at its sole discretion.

E. Such limited warranty is not applicable if:

- The goods have been subject to misuse or abuse,
- Buyer makes a changes or changes to the delivered goods;
- Buyer has used the delivery for another purpose than the designated use;
- Buyer does not fulfil any of its obligations vis-a-vis Seller;
- Buyer is otherwise to blame for the defect in the delivered goods.

F. Any labour, disassembly, shipment and transport costs will be for the account and risk of Buyer. Goods or parts of goods, to be repaired or replaced by Seller, shall be sent carriage paid to Seller by Buyer with prior written permission from Seller. Goods that have been returned and are found not to be faulty, will be returned to Buyer for the account of Buyer and Seller's costs for investigating the complaint shall also be charged to Buyer.

G. The fact that Buyer claims a replacement for any goods under warranty does not provide Buyer with the right to suspend any obligation towards Seller.

## ARTICLE 14.0 LIABILITY

A. Seller shall not be liable towards Buyer with the exception of any claims arising from the warranty obligations referred to in article 13. If liability should nevertheless be assumed, the limitations referred to in this article shall apply.

B. Except for liability that cannot legally be limited [or Seller's deliberate default], Seller's total liability for breach of contract or otherwise - expressly including any and all Seller's warranty and indemnification obligations (if any) - shall be limited to compensation for Direct Damages (as defined below) not exceeding 50% of the purchase price or the invoice amount for the goods delivered excluding VAT, or an amount of HKD 3,500,000.00 (in words: three and a half million Hong Kong dollars), whichever is lower.

C. 'Direct Damages' means:

1. the reasonable expenses which Buyer would have to incur to have Seller's performance fulfil the Agreement. However, such damage shall not be reimbursable if Buyer has terminated the Agreement;
2. reasonable expenses incurred in determining the cause and extent of the damage insofar as such determination relates to any Direct Damages within the meaning of this article; and
3. reasonable expenses incurred in preventing or reducing Direct Damages within the meaning of this article and insofar as Buyer proves that such expenses have resulted in a prevention or reduction respectively.

D. For clarity, Direct Damages excludes:

I. loss of profits;
II loss of sales or business;
III loss of agreements or contracts;
IV loss of anticipated savings;
V loss of use or corruption of software, data or information;
VI loss of or damage to goodwill; and
VII indirect or consequential loss.

E. Unless Buyer notifies Seller that it intends to make a claim in respect of an event within the notice period, Seller shall have no liability for that event. The notice period for an event shall start on the later of the day on which Buyer ought reasonably to have become aware of [the event having occurred or its having grounds to make a claim in respect of the event] and shall expire [insert number of months] three months from that date. The notice must be in writing and must identify the event and the grounds for the claim in reasonable detail.

F. Buyer shall indemnify Seller in full against all claims for damages from third parties for which Seller's liability in relation to Buyer has been excluded.

## ARTICLE 15.0 FORCE MAJEURE

A. Without prejudice to its other rights, Seller has the right, if he is unable to comply with the Agreement due to force majeure to choose one of the following options:

1. suspend deliveries until the force majeure situation has ended;

2. (partly) terminate the Agreement on the basis of written notification from Seller to Buyer and without Seller or Buyer being able to derive rights to damage compensation. This does not prejudice Buyer's obligation to pay for what has already been delivered and to pay for any expenses incurred by Seller. Seller is obliged, at the written request of Buyer, to select one of the options referred to in (1) or (2) within 14 days after the date on which the request is received.

B. In the legal relationship between Seller and Buyer, the following shall apply as force majeure: strike, war, fire, natural disasters, epidemics, pandemics, government intervention, import/export barriers, industrial disruption of whatever nature at Seller's premises, or at the suppliers or shipping companies in as far as the industrial disruption is independent of the will of Seller's administrators and impedes or is detrimental to the implementation of the Agreement by Seller. The term industrial disruption includes any statutory regulation that affects Seller's company or trade as well as delays amongst suppliers, shipping companies or forms of transport used by third parties.

## ARTICLE 16.0 INTELLECTUAL PROPERTY

A. All intellectual property rights in the goods including but not limited to related materials and documentation delivered or otherwise provided under the Agreement to Buyer shall remain in Seller (or its licensor(s)) and remain the sole and exclusive property of Seller (or its licensor(s) as the case may be).

B. Neither the supply of goods by Seller nor the discharge by Buyer of Buyer's obligations under this Agreement shall constitute nor be construed as transferring or granting any rights whatsoever to Buyer with respect to intellectual property rights. The worldwide intellectual property rights in the goods and related materials shall at all times be and remain exclusively vested in Seller or its licensor(s) as the case may be.

C. Buyer shall not:

1. make any modifications to the goods without Seller's prior written consent;
2. remove or alter any copyright or other proprietary notice on goods made available to Buyer by Seller;
3. use or attempt to register in any way any intellectual property right of Seller or of its licensor(s) in the goods, or a name which is confusingly similar to any intellectual property rights, such as trademark rights of Seller or it's licensors with respect to the goods;
4. shall not use and/or exploit the goods any way which detracts from the goodwill and reputation represented therein; or
5. shall not use and/or exploit the goods any way which detracts from the goodwill and reputation represented therein; or

D. Buyer will promptly after becoming aware thereof notify Seller of any actual, threatened or suspected infringement by a third party of Seller's intellectual property rights in the goods.

## ARTICLE 17.0 CONFIDENTIALITY

A. Buyer shall keep strictly confidential and not disclose to any third party, save with prior explicit written consent of Seller, any and all information of a confidential nature of Seller, including but not limited to prices, product information, marketing campaigns and materials, discounts and other sales information, which is known or will become known to Buyer in the course of the execution of the Agreement (Confidential Information). All information that is marked as confidential and all information of which Buyer should reasonably assume its confidential nature shall be regarded as confidential information.

B. Buyer undertakes to distribute the Confidential Information only among those authorised staff members in their organisation that are or will be necessarily involved in the execution of the Agreement. Buyer ensures that the aforementioned staff members will (be forced to) uphold all provisions of this article.

C. Buyer shall maintain adequate (protection) measures to prevent unauthorized third parties having access to the Confidential Information.

## ARTICLE 18.0 PRIVACY

A. Buyer shall comply with all applicable data protection and privacy legislation, including without limitation the Personal Data (Privacy) Ordinance (Cap. 486) and the Electronic Transactions Ordinance (Cap. 553), including not doing or permitting to be done anything which may result in a breach of any such data protection or privacy legislation by Seller.

B. Without limiting paragraph a., if required by law, Buyer and Seller will conclude an agreement that incidentally involves the processing of personal data concerned by the PRC Personal Information Protection Law, and the General

Data Protection Regulation (Regulation (EU) 2016/679), as the case may be. Buyer and Seller recognize that this processing is conducted within the context of the performance of the Agreement, Buyer and Seller being exclusively and entirely responsible for the processing of personal data that it carries out on its own behalf.

C. Buyer shall, at all times, take appropriate and state-of-the-art organizational and technical measures to ensure the availability, security, confidentiality and integrity of information, information systems, components and processes used in results and in the provision of services and all data provided or otherwise made available by or for the other party. These requirements also apply to communication and cooperation between the parties.

## ARTICLE 19.0 COMPLIANCE

A. Buyer (in the following always including its affiliated companies, owner/shareholder, board members, directors, officers, representatives and all others for whose actions it may be held accountable) shall comply with all applicable laws and regulations, including laws on the prevention of bribery and corruption and money laundering when performing its duties under the Agreement. This includes, in particular, the prohibition of illegal payments or the inducement of other inappropriate advantages, directly or indirectly, towards public officials and agencies, business partners, their employees, family members or other close relationships. Buyer agrees not to make any facilitation payments to any public official.

B. The parties shall support each other in the prevention of bribery, corruption, money laundering and will inform each other immediately as soon as they know or suspect a violation of the applicable laws on the prevention of bribery and corruption and money laundering in relation to the Agreement or the fulfilment of obligations under the Agreement.

C. Seller may terminate the Agreement with immediate effect, if and when Seller learns that Buyer is in breach of this article or any anti-corruption or anti-money laundering legislation, including without limitation the Prevention of Bribery Ordinance (Cap. 201) and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615). Buyer shall note the application of the PUMA Code of Ethics on https://about.puma.com/en/sustainability/codes-policies-and-handbooks. Buyer shall ensure compliance with the principles of PUMA's Code of Ethics.

## ARTICLE 20.0 MISCELLANEOUS

A. These General Conditions, together with any Agreement and documents executed contemporaneously with these General Conditions or an Agreement (or referred to therein) constitutes the entire agreement between the parties in relation to its subject matter and supersedes and extinguishes any prior agreements, assurances, promises, representations, understandings and

warranties between them, whether written or oral, in relation thereto which shall be deemed to cease to have any effect whatsoever.

B. The rights, powers and remedies provided to Seller in these General Conditions or an Agreement are in addition to, and do not exclude or limit, any right, power or remedy provided by law or equity or any agreement.

C. Seller may at any time assign, transfer, mortgage, charge, sub-contract delegate, declare a trust over or deal in any other manner with all or any of its rights (including without limitation its ownership of goods and rights assigned to it under article 5) or obligations under the Agreement.

D. Buyer shall duly perform in a timely manner, or shall use its best commercial endeavours procure the due performance in a timely manner of, all such further acts, including the execution and delivery of documents, as may be necessary or desirable to give full effect to the provisions of these General Conditions or an Agreement and the transactions contemplated thereby.

E. A waiver by Seller of any article of these General Conditions or provision of an Agreement is only effective if given in writing and shall not be deemed to be a waiver of any subsequent breach of that or any other article of these General Conditions or provision of an Agreement. No failure or delay by Seller in exercising any right, power or remedy under these General Conditions or an Agreement by law shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy.

F. If any article of these General Conditions or provision of an Agreement is or becomes invalid or unenforceable in any respect under the law of any jurisdiction, neither the validity or enforceability of the other articles of these General Conditions or other provisions of an Agreement nor the validity or enforceability of such article or provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby. Such article or provision shall be deemed modified to the minimum extent necessary to make it valid and enforceable and, to the greatest extent possible, achieves the intended commercial result of the original article or provision. If such modification is not possible, the relevant article or provision shall be deemed deleted. Any such modification to or deletion shall not affect the validity and enforceability of the other articles of these General Conditions or other provisions of an Agreement.

G. Except where expressly provided for in an Agreement, no term of these General Conditions or an Agreement is enforceable by any person who is not a party or successor or permitted assign (a third party), nor may any term of these General Conditions or an Agreement be interpreted as purporting to confer a benefit on any third party, including to require the approval or consent of any third party for a party to exercise its rights thereunder. Accordingly, no third party shall have any rights or remedy or other benefit available or deriving from the provisions of the Contracts (Rights of Third Parties) Ordinance (Cap. 623) or any other Ordinance.

H. Headings are for ease of reference only.

I. In the event of a conflict between the provisions in the English version of these General Conditions and those in any translation thereof or difficulties in interpreting a translation, the English language version will prevail.

## ARTICLE 21.0 GOVERNING LAW AND DISPUTE RESOLUTION

A. These General Conditions and all Agreements are governed by, and shall be construed in accordance with, the laws of the Hong Kong Special Administrative Region of the People`s Republic of China.

B. [Without prejudice to each of the parties' right to relief by way of injunction or order for specific performance or recovery of property,] any dispute, controversy, difference or claim arising out of or relating to these General Conditions and any Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre (the HKIAC) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be one. The arbitration proceedings shall be conducted in English [provided any written communications regarding the arbitration proceedings may be submitted in Chinese or English language, including documents, applications and evidence, unless otherwise decided by the arbitrator].

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