

STANDARD TERMS & CONDITIONS
(“Standard Terms”)

These Standard Terms, together with the Commercial Terms (collectively, the “Agreement”), collectively: (a) represent the complete agreement of Licensee and Licensor with respect to the subject matter hereof; (b) are fully binding on the parties hereto; and (c) supersede all previous documents and negotiations. By using or paying for the use of any Licensed Property or other intellectual property owned or controlled by Licensor, or by executing any Commercial Terms, Licensee agrees to be bound by and comply with all of the terms of the Agreement.

1. GRANT OF LICENSE.

(a) Licensed Rights. Licensor hereby grants to Licensee during the Term, the non-transferrable, non-assignable, non-sub-licensable, indivisible right and license, to utilize the Licensed Property solely for and in connection with: (i) the design, manufacture, distribution and sale of only the specified Licensed Products, solely to/through the Approved Accounts located within the Territory; and (ii) the Advertising & Promotion of the Licensed Products, solely within the Territory (collectively, the “Licensed Rights”). Licensee shall not, nor shall Licensee permit others (including any Approved Account) to: (A) distribute or sell any Licensed Products either outside the Territory, or to any accounts other than the Approved Accounts; (B) distribute or sell any Licensed Products to any party that Licensee knows, or has reason to know, is likely to sell such Licensed Products either outside the Territory, or to any accounts other than the Approved Accounts, or (C) solicit, engage in any Advertising & Promotion of, or otherwise exploit the Licensed Products, either outside the Territory or in a manner inconsistent with the distribution or sale of the Licensed Products to/through the Approved Accounts. Licensee shall use Licensee’s best efforts to actively exercise all Licensed Rights, at all times in accordance with this Agreement, and shall protect, to the best of its ability, the Licensed Rights granted to Licensee hereunder.

(b) Assets. In the event that Licensor provides Licensee with other assets of or relating to the Licensed Property (e.g., photographs, marketing materials, etc.) (“Assets”) to be used in, on or in connection with Licensed Products or the Advertising & Promotion thereof, Licensee hereby acknowledges that Licensor may not be the owner of the same (or of certain rights therein), and any use or other exploitation of the same by or on behalf of Licensee shall be subject to the terms of this Agreement as well as those terms which are applicable to Licensee’s use of the Assets, whether pursuant to Licensor’s agreement with the owners thereof or otherwise (“Asset Terms”). Nothing contained herein shall obligate Licensor to provide any Assets to Licensee, to secure any rights with respect to any Assets not owned by Licensor, or to maintain any agreements which Licensor may have in place for any Assets, and any failure by Licensor to do any of the foregoing shall not be deemed a breach of this Agreement.

(c) Limits on Licensed Rights.

(i) Legal Restrictions. Licensee’s exercise of all Licensed Rights, and Licensee’s operation of the Business, shall be exploited, conducted and maintained by Licensee in a lawful and ethical manner and in accordance with the terms and intent of this Agreement, including, without limitation, the Standards of Practice set forth on Exhibit A, which is attached hereto and incorporated herein by reference (“Standards of Practice”). The Licensed Rights granted hereunder are granted subject to the U.S. Export Administration Regulations (“EAR”), International Traffic in Arms Regulations (“ITAR”), sanctions administered by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”), and all other export control and sanctions Laws (as hereinafter defined) applicable to the Parties (collectively, “Trade and Export Control Laws”), and Licensee hereby agrees not to use, disclose, license, sub-license, or otherwise exploit the Licensed Property in violation of any Trade and Export Control Laws. Notwithstanding anything to the contrary set forth in this Agreement, the Territory authorized under this Agreement excludes the following countries or regions: Cuba, Iran, Burma (Myanmar), Sudan, North Korea and Syria. Further, Licensor may exclude (or add) any additional country or region from the Territory, by written notice to Licensee, upon the occurrence or imposition of any sanctions, embargo, trade ban (or the lifting of any of the foregoing) relating to such country or region imposed by any government entity with jurisdiction over Licensor or any of its affiliates. If a country or region becomes prohibited by Laws, the prohibition shall be automatic as of the effective date of such Laws without need of any notice from Licensor. It is Licensee’s responsibility to monitor any such changes.

(ii) No Sub-Branding or Co-Branding. Licensee hereby acknowledges and agrees that no Licensed Product shall be sub-branded or co-branded, nor shall any Licensed Products be sold or otherwise distributed under any marks or brand other than the Licensed Property.

(iii) Sub-Contractors.

(A) In the event Licensee wishes to sub-contract any or all of Licensee's Business hereunder (e.g., manufacture of Licensed Products, creation of Advertising & Promotion materials, vendors, etc.) to any third party (each, a "Sub-Contractor"), the same may only be done if and after Licensor has given its Approval (as hereinafter defined) therefor. As such, Licensee shall submit a written request for all Sub-Contractors to Licensor for Licensor's prior written Approval, which request shall include all of the following information for each such Sub-Contractor: corporate name, office address, principals, and the specific Business contemplated to be sub-contracted. If requested by Licensor, Licensee and/or the proposed Sub-Contractor shall provide Licensor with additional information about any such proposed Sub-Contractor (e.g., copies of current factory audits, certifications of compliance / production standards, etc.), such that Licensor will have sufficient information to evaluate Licensee's request for Approval of such Sub-Contractor, and Licensee hereby agrees, and agrees to cause all such proposed Sub-Contractors to agree, to fully comply with all such requests from Licensor. In the event Licensor Approves any given Sub-Contractor, and only after Licensee delivers to Licensor a written contract, signed by Licensee and the applicable Sub-Contractor, in a form Approved by Licensor ("Sub-Contractor Agreement"), then such Sub-Contractor shall be permitted to carry out only that portion of the Business for which Licensor Approved such Sub-Contractor. Licensee shall ensure (e.g., by including the same in the applicable Sub-Contractor Agreement) that all rights granted to any Sub-Contractor, whether pursuant to a Sub-Contractor Agreement or otherwise, shall terminate upon any expiration or termination of this Agreement.

(B) Licensee shall use Licensee's best efforts to ensure that all Sub-Contractors abide by the terms of this Agreement, including, without limitation, the Standards of Practice. All acts and omissions of all Sub-Contractors shall be deemed to be the acts and omissions of Licensee for all purposes of this Agreement, and Licensee shall be responsible and liable for any and all acts and omissions of any Sub-Contractor. In the event of a breach of this Agreement (including, without limitation, the Standards of Practice) by any Sub-Contractor, which breach, to the extent curable, is not cured within five (5) days of Licensee's receipt of written notice from Licensor specifying the nature of such Sub-Contractor's breach, Licensor shall have the right to: (I) cause Licensee to terminate such Sub-Contractor's ability to operate any and/or all portions of the Business hereunder; and/or (II) proceed with a claim and/or action directly against such Sub-Contractor. Licensee hereby acknowledges that no such Sub-Contractor shall have an opportunity to cure any breach which, by its terms or implication, cannot be cured. In the event that Licensor exercises its option set forth in (B)(I) above, then Licensee shall terminate such Sub-Contractor's ability to operate any and/or all portions of the Business hereunder, and in the event that Licensor exercises its option set forth in (B)(II) above, Licensee shall cooperate with Licensor in connection with such claim and/or action, pursuant to Section 5(c) of the Standard Terms below.

(iv) Prior Products. Licensee hereby acknowledges that, prior to the Effective Date, Licensor may have had in place one or more agreement ("Prior Agreement") with one or more third party ("Prior Partner") for the same or similar rights granted to Licensee hereunder, for products that are the same as or similar to Licensed Products ("Prior Products"). Licensee further acknowledges that, regardless of the fact that the term of the Prior Agreement may have been terminated or expired, the Prior Partner may have a non-exclusive right to sell-off its existing inventory of Prior Products during the Term of this Agreement, and the same shall not be deemed a breach of this Agreement (including, without limitation, with respect to any obligation of Licensor under this Agreement, or any exclusivity (if any) that may be granted hereunder), nor shall Licensee have, and Licensee hereby waives, any right to make any claims with respect to any of the foregoing.

(d) Reserved Channels/Products. Licensee hereby acknowledges and agrees that, for purposes of this Agreement: (A) the 'Territory' specifically excludes all of the following: (I) Licensor Channels (as hereinafter defined), (II) direct marketing channels (e.g., direct mail, mail order, catalogues, television, infomercials, etc.), (III) military bases and exchanges, and (IV) each of the following that may be located in, pass through and/or do business in, any country technically located in the Territory: duty-free stores, travel retail stores, airlines and/or aircrafts, cruise ship lines and transportation service companies; and (B) notwithstanding anything to the contrary contained in the Agreement, the 'Products' specifically exclude all of the following: (i) all products for premium, casino, and corporate promotional and corporate gift programs (including, without limitation, advertising specialty industry or "ASI," etc.), (ii) uniforms (e.g., teams, schools, professional, etc.), (iii) all products that are infused with alcohol and/or that contain cannabidiol (aka CBD Oil), cannabinoids, psilocybin, or any other similar or related ingredients, and (iv) all digital, virtual, or interactive products, features, or experiences, now known or hereafter devised, including without limitation, non-fungible tokens/NFTs, cryptocurrency, 3D printables, interactive/video games, virtual reality, avatars, other digital offerings (e.g., icons, screensavers, wallpapers, and ring tones), radio-frequency identification or near field communication (RFID/NFC), augmented reality, mixed reality, software programs, and applications or "apps," each in all media and platforms (including mobile/wireless) now known or hereafter devised) (all of the foregoing are, individually and collectively, the "Reserved Channels/Products"). The Reserved Channels/Products shall be deemed, for all purposes hereof, to be located outside the Territory, and not included in the Products (or Licensed Products), as applicable. For the purposes hereof, "Licensor Channels" shall be defined as any of the following operating under the Licensed Property and/or any intellectual property owned and/or controlled by Licensor or any Licensor Party: (X) retail stores; (Y) direct marketing,

direct mail, mail order and/or catalogs; and (Z) digital commerce channels (e.g., electronic, mobile and/or Internet-based shopping platforms such as websites, marketplaces, social media platforms, applications, and the like), whether now known or hereafter devised.

2. CONSIDERATION; PAYMENTS; STATEMENTS.

(a) Consideration. As consideration for the Licensed Rights granted herein, Licensee shall comply with all terms and conditions of the Agreement, including, without limitation, paying all amounts due to Licensor, meeting minimum thresholds, and spending all amounts, in each case as and when required hereunder. All amounts payable to Licensor hereunder shall be deemed held in trust for, and on behalf of, Licensor until such time as such sums are paid to Licensor in accordance with the terms of this Agreement.

(b) Calculation of Royalties & CMF. Licensee shall have the unfettered right to establish the prices that it charges its customers for any Licensed Products sold pursuant to this Agreement; provided, however, that (A) such prices shall be generally consistent with the image, reputation, prestige, and worldwide marketing of the Licensed Property, and (B) solely for purposes of calculating the Royalty and CMF due to Licensor, and notwithstanding anything contained in the definition of Net Sales: (i) the invoiced billing price of the Licensed Products shall not be less than Licensee's LDP Cost for each such Licensed Product ("Minimum Invoiced Billing Price"); and (ii) if Licensed Products are sold to any party directly or indirectly affiliated or under common ownership or control with Licensee at a price less than the regular price charged to other parties, the Royalty and CMF due to Licensor shall be computed as though such sales were made to non-related but similarly situated third parties in an arms-length transaction, subject to the Minimum Invoiced Billing Price. In the event that Licensor suspects that Licensee has sold any Licensed Products at a discounted price for purposes of selling other products or services (i.e., as a "Loss-Leader"), whether such sales were made to an affiliate of Licensee or any other third party, Licensor shall be permitted to request, and Licensee hereby agrees to deliver, documentation, backup and support materials, such that Licensor will have sufficient information to evaluate such sales. In the event Licensor determines that any Licensed Products were sold as a Loss Leader, it shall constitute a breach of this Agreement by Licensee.

(c) No Deductions. Licensee may not deduct from, setoff or offset the Royalty, CMF or any other amount payable to Licensor for any reason. For purposes of illustration but without limitation, Licensee may not deduct: uncollectible accounts, wire transfer fees, bank fees or any other fees associated with making any and all payments to Licensor, slotting fees, advertising or other expenses of any kind (including, without limitation, the Advertising Commitment), the costs incurred in the manufacture, sale, distribution or exploitation of the Licensed Products, collection or payment of Royalties or CMF, or the conversion of any currency into United States Dollars.

(d) Payment Allocation. Licensor may, in Licensor's sole discretion, allocate and apply payments it receives from Licensee hereunder. Partial payment by Licensee to Licensor of any amounts due hereunder shall not, in any circumstance, avoid default by Licensee as to the full amount of any such payments, and Licensee shall not be entitled to any return of the amount of any partial payments in the event of any expiration or termination of this Agreement.

(e) Taxes.

(i) Licensor and Licensee agree that: all payments to be made by Licensee to Licensor hereunder shall be made free and clear of and without deduction for or on account of withholding tax under the laws of the Territory unless Licensee is required by law to make such a payment subject to the deduction or withholding of tax, in which case, the sum payable by Licensee in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, Licensor receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which Licensor would have received and so retained had no such deduction or withholding been made or required to be made, and Licensee shall furnish Licensor with an official receipt (together with a certified translation thereof into English, when applicable) promptly after each such payment of any such taxes. In the event that any such taxes are not paid when due, all resulting penalties and interest related thereto shall be borne by Licensee. In the event that, following the making of any increased payment by Licensee under this Agreement resulting from a requirement for Licensee to make any deduction or withholding under law, Licensor receives or is granted a credit against, remission or repayment of any tax (a "Tax Credit") payable by Licensor which is directly related to such deduction or withholding or any increased payment made by Licensee to Licensor, Licensor shall reimburse Licensee with such amount as is equivalent to the relevant Tax Credit so as to leave Licensor, after such reimbursement, in no better or worse position than Licensor would have been in had there been no deduction or withholding. All sales, use, value added, local privilege, excise taxes, tariffs, duties or other charges of any kind, character or description which may be levied or imposed upon any of the Licensed Products, the

Business or on any aspect of performance of this Agreement, shall be Licensee's responsibility. Licensor shall only be responsible for the actual taxes on Licensor's net income resulting from this Agreement.

(ii) As between Licensor and Licensee, Licensee shall be solely and exclusively responsible for all costs, fees and expenses associated with any imposition of fees, fines, taxes and/or other costs associated with complying with local Laws concerning the operation of the Business, including, without limitation, any and all costs, taxes, fees and expenses that may be imposed on sales Licensed Products by a government authority in any country and/or region of the Territory (all collectively referred to as "Local Matters"). Licensee shall not take any steps or actions (or fail to take any steps or actions, where such failure would have the same impact), or make any representations, either directly or indirectly, in the name of or on behalf of Licensor, with respect to any Local Matters or otherwise, and Licensee shall not make any appearances or respond to any written or oral inquiries by any third party, without the prior written instruction of Licensor in each instance.

(f) Reports.

(i) Statements. Within fifteen (15) days following the end of each Calendar Quarter during the Term (i.e., on or before April 15, July 15, October 15 and January 15), and continuing until all payments required hereunder are made, Licensee shall submit to Licensor, via RoyaltyZone, a complete and accurate statement (each, a "Statement"), detailing: (A) all of the following information for each month included in such Calendar Quarter (as well as year-to-date information), cross-referenced by each 'SKU' of Licensed Product (identified by seasonal collection, if applicable), and broken down first by each country of the Territory, then by Distribution Channel, then by Approved Account: (I) total Net Sales, (II) total quantity (in units) sold, (III) invoiced price, (IV) gross revenue, (V) itemized Deductions, and (VI) Royalty and/or CMF due to Licensor; and (B) Licensee's itemized expenditures of the Advertising Commitment, including, without limitation, spend by Advertisement (as hereinafter defined) type and by media outlet. In the event that Licensor issues any invoice(s) to Licensee for any payments due and/or owing hereunder, Licensee hereby acknowledges that the same would be done solely as a courtesy to Licensee, and no such invoice shall alter, change or otherwise impact the amount or due date of any such payment (the terms of which shall continue to be dictated by the terms of this Agreement).

(ii) Year-End Summaries. Included with Licensee's Statement for the fourth (4th) Calendar Quarter of each Contract Year (i.e., the Calendar Quarter beginning on October 1 and ending on December 31, the Statement for which is due to Licensor on or before January 15 of the immediately succeeding Contract Year), Licensee shall submit to Licensor, via RoyaltyZone, a complete and accurate statement ("Year-End Summary" and together with the Statements, "Reports"), in the same format as the Statements, detailing all of the same information required for a Statement, in the aggregate, for the applicable Contract Year.

(iii) General. Included with each Report, Licensee shall submit to Licensor: (A) a copy of Licensee's full and complete financial statements for that Calendar Quarter or Contract Year, as applicable; and (B) a certification signed by Licensee's chief financial officer (or equivalent) indicating that he or she has reviewed and agrees with all the information contained in such Report. If and when requested by Licensor, Licensee shall provide Licensor with additional information (e.g., Net Sales and/or orders booked/confirmed for Licensed Products by country, Net Sales by specific Approved Accounts and/or Distribution Channel, etc.), and/or backup and support materials, with respect to any item contained in any Report, such that Licensor will have sufficient information to evaluate the sources of any item contained in such Report, and to track Licensee's Business under this Agreement. Licensor hereby reserves the right to modify the process for submission of Reports (e.g., using a software other than RoyaltyZone, etc.) on reasonable advance written notice to Licensee, but in no event shall Licensor modify the timing or frequency of the same without Licensee's prior written approval, which approval may not be unreasonably withheld, conditioned or delayed.

(g) Books & Records; Audit. Licensor's acceptance of any payment and/or any Statement pursuant to this Agreement is without prejudice, shall not be deemed a waiver by Licensor of any rights afforded to Licensor hereunder, at law or in equity, and shall not preclude Licensor from questioning the correctness thereof at any time or exercising any of its rights related thereto. Licensee shall keep appropriate books of accounts and records with respect to its manufacture, sale, distribution and Advertising & Promotion of Licensed Products ("Books & Records"). Licensee shall maintain such Books & Records throughout the Term of this Agreement, and for a period of three (3) years following the expiration or termination of the Term (the "Retention Period"). During the Term and Retention Period, Licensor, or a third party designated by Licensor (Licensor and such third party being defined, for purposes of this Section, as an "Auditor"), shall have the right to inspect and copy the Books & Records insofar as they relate to the computation of Royalties and CMF, and other amounts payable to Licensor and/or amounts that Licensee is required to spend under this Agreement, and Licensee hereby agrees to cooperate with the Auditor, to the best of Licensee's ability, in connection therewith (including, without limitation, by providing the Auditor with backup and support documentation related to any Books & Records, e.g., Licensee's standard wholesale prices for any Products, etc.). In the event Licensee fails to so cooperate

with the Auditor: (i) the same shall be deemed a breach of this Agreement by Licensee, and (ii) in order to complete any such inspection / audit and in the absence of information from Licensee. Licensor shall be entitled, without prejudice to any other right or remedy available to Licensor, to draw inferences adverse to Licensee and assess the amounts owed by Licensee to Licensor in Licensor's reasonable discretion, based on, among other factors, the books and records Licensee has kept, if any, market conditions, industry standards, sales of similar items, and any other reasonable estimates and assumptions Licensor deems appropriate. Licensor and/or such Auditor shall be permitted to inspect such Books & Records no more frequently than one (1) time during any six (6) month period, upon reasonable prior written notice to Licensee. In the event that any such inspection is conducted by a third-party Auditor, such Auditor shall agree in advance not to disclose or use for the Auditor's benefit any Confidential Information (as hereinafter defined) of which the Auditor observes or becomes aware. If any such inspection reveals a discrepancy in the amount paid to Licensor equal to three percent (3%) or more of the amount payable to Licensor hereunder for the period in question, then Licensee shall also reimburse Licensor for the cost of such audit. In any event, Licensee shall make all payments required to be made to eliminate any discrepancy revealed by any such inspection within fifteen (15) days after Licensor's demand therefor. Interest, compounded monthly, at the rate of one and three quarters percent (1.75%) per month (or, if not legally permissible, then at the then maximum legal interest rate) shall accrue on any amount due to Licensor from and after the date upon which said payment is due until the date payment is actually received, whether said late payment was discovered in connection with this Section or otherwise.

3. BUSINESS; ADVERTISING & PROMOTION.

(a) Business Plan. No later than September 15th of each Contract Year during the Term, Licensee shall submit to Licensor, in a form and with all information as requested by Licensor, a revised Business Plan, including, without limitation, bona fide projections of Licensee's anticipated and projected Net Sales ("Projections") for: (a) all Contract Years remaining in the then-current Contract Period (if any), and (b) if Licensee qualifies for a Renewal Term and has exercised its Renewal Option, for all Contract Years in the applicable Renewal Term

(b) A&P Plan. No later than September 15th of each Contract Year during the Term, Licensee shall submit to Licensor, in a form and with all information as requested by Licensor, a detailed proposal for Licensee's Advertising & Promotion of the Licensed Products and/or Licensed Property for the immediately succeeding Contract Year, inclusive of budget ("Proposed Plan") for Licensor's Approval. In the event Licensor provides Licensee with comments and/or suggested changes to Licensee's Proposed Plan, Licensee shall, within ten (10) days of receipt of such comments from Licensor, make appropriate adjustments to the Proposed Plan, and re-submit the same to Licensor for Licensor's Approval; it being understood that Licensor's comments and/or suggested changes to the Proposed Plan shall not require Licensee to spend more than the greater of: (i) the Advertising Commitment, or (ii) fifteen percent (15%) of the budget included in Licensee's Proposed Plan. Once Licensee's Proposed Plan is Approved by Licensor (such Approved Proposed Plan being defined herein as the "A&P Plan"), Licensee shall execute all Advertising & Promotion for the applicable Contract Year pursuant to the terms of such A&P Plan.

(c) No Promotional Use. Licensee shall not itself, nor shall Licensee permit any third parties to, make use of the Licensed Property or Licensed Products for any promotional purposes (including, without limitation, premium offers, giveaways, sales incentives, charitable giving, donations, gift-with-purchase programs), without Licensor's Approval in each instance.

(d) No Third-Party Endorsements. Licensee shall not contact or solicit any third party, or use the images or services of any such third party, whether as an endorsement, sponsorship or otherwise, in connection with the Licensed Products or the Business, without Licensor's Approval in each instance.

(e) Press Releases. Licensee shall not, either itself or through any agents or representatives, make, issue, distribute or disseminate any information or statements, whether written or verbal, to the press regarding Licensor, any Licensed Products, the Business, and/or any other matters pertaining to or arising out of this Agreement (each, a "Press Release") unless and until Licensor has Approved such Press Release. Licensor shall have the right, at any time, either itself or through its agents or representative, to make, issue, distribute and/or disseminate Press Releases without Licensee's knowledge, consent or approval.

4. APPROVALS; PRODUCTION.

(a) Approvals.

(i) Approval Rights. For purposes of this Agreement, "Approval" (and all grammatical variations thereof, e.g., Approve, Approved, etc.) shall be defined as Licensor's prior written approval, which may be given or withheld in

Licensor's sole discretion. Licensor has the right to Approve all uses of the Licensed Property and Assets, whether by Licensee, Approved Accounts or any Sub-Contractors (including, without limitation, Licensed Products, Packaging (as hereinafter defined), Advertising & Promotion, any and all other items produced pursuant to this Agreement) (collectively, "Materials"). Licensee hereby agrees that: (A) no Materials may be released or exhibited publicly, in any manner, unless and until Licensor has Approved the same, (B) all Approved Materials must be re-submitted for Approval each time a revision is made incorporating any changes, and (C) Licensor's Approval of Materials hereunder is specifically limited to Approval of the use of the Licensed Property contained therein, and that to the extent any materials owned by third parties (e.g., logos, locations, individuals, etc.) ("Third-Party Materials") are incorporated therein, Licensee shall be solely responsible for identifying such Third-Party Materials, and for obtaining an applicable license from the owners of such Third-Party Materials.

(ii) Approval Process.

(A) General. Licensor shall respond to each request for Approval within fifteen (15) days of Licensor's receipt of such request ("Approval Window"); provided, however that Licensor's silence or failure to respond to any such request prior to the expiration of the Approval Window shall be deemed Licensor's disapproval the Materials contained in such request. Licensee hereby acknowledges that Licensor's Approval of any particular Materials (I) for a given seasonal collection and/or for a specific purpose shall only be deemed an Approval for said collection and/or purpose; and (II) shall not be deemed a legal review of any such Materials, but solely as a process meant to verify that the use of the Licensed Property has been done in a manner that complies with Licensor's standards for the Licensed Property (including as may be set forth in the Brand Toolbox, as hereinafter defined) and other applicable terms of this Agreement. Licensee shall be required to re-submit any previously Approved Materials to the extent Licensee wishes to use the same for subsequent collections and/or other purposes. Licensee hereby acknowledges that, in the event Licensee fails to obtain Licensor's consent or approval for any act or omission requiring such consent or approval (e.g., use of Licensed Property, etc.), the same shall be deemed a non-curable breach of this Agreement entitling, but not requiring, Licensor to immediately terminate this Agreement. Licensor hereby reserves the right to modify the process for submission of Approval requests (e.g., using a software other than RoyaltyZone, etc.) on reasonable advance written notice to Licensee, but in no event shall Licensor modify the timing or frequency of the same without Licensee's prior written approval, which approval may not be unreasonably withheld, conditioned or delayed.

(B) Licensed Products. Licensee shall create and submit to Licensor for Approval, via RoyaltyZone, Licensee's concept ("Concept") for the design of each SKU of Licensed Products. After Approval of such Concept and prior to the mass production of any Licensed Products, Licensee shall create and submit to Licensor for Approval, via personal delivery, messenger or mail, one (1) initial prototype sample (each, a "Prototype") of each SKU of Licensed Products. After Approval of such Prototypes, Licensee shall be permitted to commence mass production of Licensed Products. Prior to, or simultaneously with, Licensee's first (1st) shipment of any SKUs of Licensed Products to Approved Accounts, Licensee shall deliver to Licensor four (4) of each SKU of Licensed Products (including of the Packaging therefor).

(C) Packaging. Licensee shall create and submit to Licensor for Approval, via RoyaltyZone, the Concept for the design of all tags, hangtags, labels, wrapping and other packaging for any Licensed Product (collectively, "Packaging"), together with a list of Licensed Product SKUs for which such Packaging is intended to be used. After Approval of such Concept and prior to the mass production of any Packaging, Licensee shall create and submit to Licensor for Approval, via personal delivery, messenger or mail, one (1) Prototype of each unit of Packaging. After Approval of such Prototypes, Licensee shall be permitted to commence mass production of Packaging; it being understood by Licensee that (I) Licensee shall be required to purchase Packaging from Licensor's designated suppliers for the same, if any ("Licensor Suppliers"); (II) Licensee shall be required to negotiate all terms of sale directly with such Licensor Supplier; and (III) Licensor shall not be liable for any act or omission of any such Licensor Supplier. Notwithstanding the foregoing, in the event that Licensee is able to obtain pricing for comparable quality Packaging from third-party suppliers which is better than the pricing offered by the Licensor Supplier, and the Licensor Supplier cannot match such better pricing, then: Licensee shall be permitted to submit such third-party supplier (together with a sample of such third-party supplier's Packaging) to Licensor for Licensor's approval, which approval shall not be unreasonably withheld.

(D) Advertising & Promotion. Licensee shall create and submit to Licensor for Approval, via RoyaltyZone, the Concept (e.g., story boards, mock-ups, etc.) for each Advertising & Promotion exploitation (each, an "Advertisement"). After Approval of such Concept, and prior to the public exhibition of any Advertisement, Licensee shall create and submit to Licensor for Approval, via RoyaltyZone or email (as specified by Licensor), the completed Advertisement intended for public exhibition. After Approval of such Advertisement, Licensee shall be permitted to publicly exhibit the same, through those channels (e.g., Approved Accounts, media, etc.) Approved by Licensor.

(b) Brand Standards.

(i) Brand Book & Style Guide. In the event Licensor provides Licensee with a brand book ("Brand Book") and/or style guide ("Style Guide" and collectively with the Brand Book, the "Brand Toolbox"), Licensee shall follow the rules set forth therein. Licensee hereby acknowledges that the Brand Toolbox is subject to seasonal updates and other changes from time to time, and Licensee shall comply with such updates and changes on a prospective basis.

(ii) Nonconformities. If any Materials have a substantial or material departure from Materials that were Approved by Licensor, as determined by Licensor in Licensor's sole discretion, then: (A) Licensor shall have the right, in its sole and absolute discretion, to demand that Licensee immediately cease all manufacture, distribution and/or exploitation of such Materials, Licensee shall immediately comply with any such demand, and (B) notwithstanding anything contained in the Commercial Terms, the Royalty for any products (including Licensed Products) sold by Licensee that bear Materials that were not Approved by Licensor, or that have a substantial or material departure from any Materials Approved by Licensor, shall be one hundred percent (100%) of Net Sales of the same ("Nonconformity Royalty"); it being understood that in no event shall the Nonconformity Royalty count towards, be used as a credit against, or be used to recoup, any GMR (or other amounts) paid or due to Licensor hereunder. Licensee shall be required to re-submit any previously Approved, but non-conforming Materials, to the extent Licensee wishes to subsequently use the same. Licensor may additionally require that any Licensed Product, Packaging or Advertisement be immediately recalled if it believes in its reasonable judgment that any of the foregoing may pose a health or safety hazard, or be detrimental to the goodwill of Licensor, its parent, subsidiaries or affiliated companies.

(c) Manufacture; Quality Control. Licensee shall be permitted to manufacture the Licensed Products within or outside the Territory; provided, however, that Licensed Products may only be sold to/through the Approved Accounts in the Territory. Licensee acknowledges that: (i) Licensor's evaluation of the Distribution Channels and Approved Accounts applicable to and appropriate for this Agreement is based on multiple criteria and related factors, including, without limitation, objective industry and quality standards specific to the Licensed Property (e.g., location, comparable product offerings, image of luxury and prestige, etc.); and (ii) if the Licensed Products produced hereunder are of inferior quality in material and/or workmanship, then the substantial goodwill which Licensor has built up and now possesses in the Licensed Property will be impaired. As such, throughout the Term, and upon reasonable notice to Licensee, Licensor, or a third party designated by Licensor (Licensor and such third party being defined, for purposes of this Section, as an "Inspector") shall have the right to enter all premises and/or facilities (including, without limitation, manufacture, storage and shipping facilities) used by Licensee or any Sub-Contractor in connection with the Business (collectively, "Facilities"), such that the Inspector is able to inspect all Facilities for the purposes of quality control, and to ensure that the Business operated hereunder is in compliance with the terms of this Agreement and all applicable Laws, and Licensee hereby agrees to cooperate with the Inspector, to the best of Licensee's ability, in connection therewith (including, without limitation, by providing the Inspector with access to the Facilities during regular business hours, etc.). Licensee shall be solely responsible for all of the Inspector's out-of-pocket costs in connection with any such inspection, including, without limitation, all business-class travel, airfare, and accommodations in close proximity to the Facilities. In the event that any such inspection is conducted by a third-party Inspector, such Inspector shall agree in advance not to disclose or use for the Inspector's benefit any Confidential Information (as hereinafter defined) of which the Inspector observes or becomes aware.

(d) Development. All costs and expenses of the Business (including, without limitation, design, development, production, manufacture, distribution and sale of all Licensed Products, Concepts, Prototypes and Packaging, and other costs and expenses related to the Advertising & Promotion of Licensed Products, including, without limitation, to the expense of compliance with the approval requirements set forth in Section 3 of the Standard Terms) shall be borne by Licensee.

5. INTELLECTUAL PROPERTY.

(a) Ownership.

(i) Licensor's Rights.

(A) Intellectual Property. Licensee hereby acknowledges that Licensor is the owner of all intellectual property rights (including, without limitation, copyright, patent, trademark, trade name, and trade secret rights), whether now known or hereafter devised, in and to any and all materials of any sort utilizing, or any rights arising out of, the Licensed Property and/or Assets (including, without limitation, Licensed Products, Packaging, Concepts, designs and Advertisements), including all such materials as may be developed or improved upon by Licensee (but excluding

Licensee's Reserved Rights set forth in Section 5(a)(ii)(A) of the Standard Terms below) or any third party (e.g., Sub-Contractors), and all goodwill that is attached or may become attached to the foregoing (all of the foregoing, together with all other rights of Licensor, the "Brand Rights"), and title thereto is and shall be in the name of Licensor or Licensor's designees. With respect to any Brand Rights that are developed or created by or on behalf of Licensee hereunder, whether in connection with the Business or otherwise (e.g., any and all additions to, and new renderings, modifications or embellishments of, Licensed Property and/or Assets), the same shall, notwithstanding such development or creation by or on behalf of Licensee, be and remain the sole and exclusive property of Licensor, as follows: (I) to the extent any of the foregoing qualify as 'works of authorship' as such term is used in Section 102 et seq. of the United States Copyright Act, Title 17, United States Code ("Copyright Act"), then the same shall be deemed a "work made for hire" as defined in Section 101 et seq. of the Copyright Act; or (II) to the extent any of the foregoing are not deemed a "work made for hire" pursuant to the Copyright Act (e.g., inventions, etc.), then Licensee hereby assigns to Licensor all right, title and interest in and to the same, including the right to sue for infringement. Licensee shall also enter into written agreements with all of its employees and Sub-Contractors, in a form Approved by Licensor, which agreement shall provide that any Brand Rights created by any of them in the course of the Business shall be the property of Licensor pursuant to this Section (whether as a "work made for hire" or by assignment to Licensor). Licensee hereby irrevocably appoints Licensor as Licensee's attorney-in-fact for the purpose of executing such documents on Licensee's behalf, which appointment is coupled with an interest. Upon the request of Licensor, Licensee shall submit to Licensor copies and/or originals of all such agreements, and full information concerning the invention and creation of any such Brand Rights (e.g., the name of the employee or Sub-Contractor who created the same, the date on which the same was created, etc.). Licensee shall not permit any of its employees or Sub-Contractors to obtain or reserve, by written or oral agreement or otherwise, any rights as "authors" or "inventors" of any such artwork or designs (as such terms are used in the present or any future versions of the Copyright Act, or any other statute or judicial decisions that may govern the same).

(B) Legal Lines. All uses of the Licensed Property and/or Assets shall bear appropriate copyright, patent, trademark and credit notices, as provided by Licensor ("Legal Lines"), either directly on the Materials using the same, or on tags, stickers or labels affixed thereto, and no Materials may be released to the public unless and until Licensor has Approved Licensee's use of the Legal Lines. Licensor may change the Legal Lines by giving Licensee written notice thereof, and Licensee shall effect such change as promptly as reasonably practical; provided, however, that if Licensee has any inventory of Materials then-existing or in production, which Materials bear the previous form of the Legal Lines, then Licensee may sell-off and/or exploit, as applicable, such Materials in the ordinary course of business. Licensee shall, at all times, comply with best practices with respect to intellectual property notifications and usage, including, without limitation, proper use of the "™" or "®" or "©" designations and the "U.S. Pat. No." or "Patent Pending" notices, and not using any trademark as a generic term.

(ii) Licensee's Rights.

(A) Licensee's Reserved Rights. Licensor acknowledges that: (I) Licensee may have in existence, as of the Effective Date, certain intellectual property rights ("Licensee's Existing IP Material") that Licensee may or may not use in conjunction with Licensed Property, and (II) from and after the Effective Date, Licensee may create derivatives of Licensee's Existing IP Material ("Licensee's Future IP Material") and collectively with Licensee's Existing IP Material, the "Licensee's Reserved Rights") that Licensee may or may not use in conjunction with Licensed Property. To the extent that, and only so long as, Licensee's Reserved Rights are separable from the Brand Rights, Licensee's Reserved Rights shall be and remain vested in Licensee.

(B) Reverse License. If Licensee incorporates into any Materials any of Licensee's Reserved Rights or Third-Party Materials, Licensee hereby grants to Licensor a non-exclusive, sub-licensable, royalty-free, irrevocable, perpetual, worldwide and assignable license to use the same on or in connection with the manufacture, distribution, advertising, promotion, sale and other exploitation of the Materials.

(b) Maintenance of Licensed Property.

(i) Licensee hereby acknowledges that Licensee's and its Sub-Contractors' exercise of the Licensed Rights, and all goodwill associated therewith (including, without limitation, all uses of the Licensed Property and Assets), shall inure solely to the benefit of Licensor, and that all sales of Licensed Products by Licensee or any Sub-Contractor shall be deemed to have been made by Licensor for purposes of intellectual property protection and registration. Licensee shall cooperate with Licensor, at Licensor's request and sole cost and expense (excluding Licensee's outside attorney fees and the costs of Licensed Product samples), in the procurement, maintenance and protection of the Brand Rights. In connection therewith, Licensee shall, without limitation, execute and deliver to Licensor, in such manner as Licensor shall reasonably request, from time to time, all instruments, documents, information and other items (e.g., samples of Licensed Products) that Licensor deems necessary such that Licensor is able to apply for and effectuate intellectual

property protection in, to and for any Brand Rights. With respect to the foregoing, Licensor shall be permitted to employ counsel of Licensor's own choice to direct the handling thereof. Licensor makes no representation or warranty that copyright or trademark protection shall be secured or maintained in all elements of the Brand Rights, and Licensee hereby waives any right to make any claims against Licensor regarding any failure of Licensor to secure any intellectual property protection for any the Brand Rights.

(ii) To the extent that the Laws of any country or region of the Territory requires that Licensee, any Sub-Contractor or this Agreement (or a short form hereof) be registered or recorded with local authorities, whether to ensure that Licensee's or its Sub-Contractors' exercise of the Licensed Rights hereunder inure to the benefit of Licensor or otherwise, Licensee shall be solely responsible for identifying and notifying Licensor of such requirement, and Licensee shall cooperate fully with Licensor, at Licensee's sole cost and expense, to: (A) effectuate any such registration and/or recordation (which may include, without limitation, entering into and executing a short form version of this Agreement); and (B) as and when directed by Licensor (which may include, without limitation, upon expiration or termination of this Agreement), cancel any such registration and/or recordation.

(c) Enforcement of Licensed Property. In the event that Licensor elects to implement security measures for the Licensed Products (e.g., state-of-the-art computer or other indelible codes or markings consistent with industry standards for the same or similar Products, such as stickers, holograms or other markings for authenticity, etc.) then Licensee shall, at Licensee's sole cost and expense, apply such security measures as directed by Licensor (including, without limitation, purchasing any necessary materials from Licensor's designated supplier for the same, and applying such materials to Packaging and/or on Licensed Products, as directed by Licensor), and cooperate with Licensor in the implementation and enforcement of anti-diversion and anti-counterfeiting measures in connection with the same. Licensee shall assist Licensor to ensure that third parties do not unlawfully counterfeit or infringe on Brand Rights. Licensee shall promptly notify Licensor of any such counterfeits or infringements of the Brand Rights of which Licensee becomes aware. Licensor shall have the exclusive right, at Licensor's sole cost and expense (excluding Licensee's outside counsel fees) and exercisable at Licensor's sole discretion, to institute in its own name and/or Licensee's name, and to control, all claims, suits and/or actions against third parties relating to the Brand Rights, and other proprietary rights in and to the same ("Infringement Claim"). With respect to any such Infringement Claim, Licensor shall be permitted to employ counsel of Licensor's own choosing to direct the handling thereof (including, without limitation, any settlement of any Infringement Claim), and Licensor shall be entitled to receive and retain all amounts awarded, if any, as damages, profits or otherwise, in connection with such Infringement Claims. Licensee shall not take any action on account of, or in connection with, any Infringement Claim, other than to notify Licensor of the same, and to cooperate with Licensor, pursuant to this Section. Licensee hereby acknowledges that: (i) Licensor has no obligation to take any action in connection with any Infringement Claim, and (ii) Licensor shall incur no liability by reason of: (A) Licensor's failure or refusal to take any such action against any Infringement Claim, or (B) any settlement relating to any Infringement Claim to which Licensor may agree. Licensee hereby acknowledges that there are practical limitations on Licensor's ability to prevent third parties who purchased Licensed Products outside the Territory, or who manufactured Licensed Products for sale outside the Territory, from re-selling such Licensed Products in the Territory, and no such sales, shall be deemed a breach of this Agreement by Licensor. If Licensee or any Licensor Party notifies Licensor of any existing or potential conflict between the rights granted to Licensee and such Licensor Party, Licensor shall endeavor to address such conflict through discussions with authorized representatives of Licensee and the applicable Licensor Party, and Licensee hereby agrees to fully cooperate with Licensor in connection with any such efforts; it being understood, however, that Licensor may, at any time, determine to finally resolve any such conflict by written notice of its determination and resolution to Licensee and the applicable Licensor Party, and Licensee hereby acknowledges and agrees that any and all such determinations by Licensor shall be final and binding upon Licensee.

(d) Withdrawn Rights. Licensor may withdraw any or all elements of the Licensed Rights, in any or all portions of the Territory, in certain Distribution Channels and/or in certain Approved Accounts, or any component part thereof, from the Licensed Rights (any such withdrawn Licensed Rights being defined herein as the "Withdrawn Rights") if: (A) Licensor determines that the exploitation of such Withdrawn Rights would or might: (I) violate or infringe the copyright, trademark or other proprietary rights of any third parties, (II) subject Licensor or Licensee to any liability, or (III) violate any Law, court order, government regulation or other ruling of any governmental agency or authority, or (B) on account of the expiration or earlier termination of any agreement between Licensor and a third party from whom Licensor has obtained certain underlying rights relating to the exploitation of such Withdrawn Rights, Licensor shall no longer have the right to act in the capacity herein contemplated on behalf of any third party or parties, or (C) Licensor determines that it cannot adequately protect its rights in such Withdrawn Rights under the copyright, trademark or other Laws of the Territory or any portion thereof. Within ten (10) business days following Licensee's receipt of written notice of such withdrawal, Licensee shall, if so requested by Licensor, in Licensor's sole discretion, destroy, or deliver to Licensor, any Materials (e.g., Licensed Products, Advertisements, etc.) which are in Licensee's possession or control, that bear or feature any of the Withdrawn Rights. In the event of any such withdrawal of Withdrawn Rights, upon a Party's request, the Parties

shall meet and confer (whether telephonically, via video conference, or in person) to discuss the same. Any such withdrawal of Withdrawn Rights shall not be deemed a breach of this Agreement, and Licensee hereby waives all rights, and shall have no recourse, to make any claims against Licensor regarding any withdrawal of Withdrawn Rights.

(e) Misuse of Brand Rights.

(i) No Attack. Licensee shall not, during the Term or at any time thereafter, attack or challenge, or lend assistance to any third party in connection with an attack or challenge, of any right, title or interest of Licensor in and to any Brand Rights (including, without limitation, copyrights, trademarks and/or patents), whether by way of: (i) an application for and/or an opposition against any intellectual property rights relating to the Brand Rights, (ii) adoption of any intellectual property rights confusingly or substantially similar to, or that infringe, any of the Brand Rights, or (iii) any lawsuit, cancellation proceeding or action, or otherwise. Licensee shall not represent in any filing, presentation, document or other statement, whether written or verbal, that Licensee or any third party is the owner of any of the Brand Rights or any other Licensed Rights, and Licensee shall not use or display any of the foregoing except as expressly permitted herein.

(ii) Brand Names/Accounts.

(A) Ownership. Licensor shall own all right, title and interest (including, without limitation, all intellectual property rights) in and to any: (I) domain names that are similar to, use and/or incorporate the Brand Rights, or any variation thereof ("Domain Names"), (II) corporate, trade or business names that are similar to, use and/or incorporate the Brand Rights, or any variation thereof ("Business Names"), and (III) social media accounts (e., on Twitter, Facebook, Instagram, etc.) that are branded with any Brand Rights, or any variation thereof ("Social Media Accounts" and together with the Domain Names and Business Names, the "Brand Names/Accounts").

(B) Restrictions. During the Term and at all times thereafter, Licensee shall have no right to, and hereby agrees not to, nor shall Licensee facilitate, instruct, or enable any third party in connection with any act to, register any Brand Name/Account incorporating, in whole or in part, Brand Rights or any variation thereof. Should Licensee register any Brand Name/Account incorporating any Brand Rights or any variation thereof, Licensee shall transfer the same to Licensor, immediately upon Licensor's request. Specifically with respect to Domain Names, and without limitation: (I) Licensee shall immediately provide Licensor or Licensor's designee with the access code(s) for, and accept a request for transfer of, the Domain Name, through the Domain Name registrar, (II) should Licensee fail to accept any request for transfer, or other documentation (electronic or written) to transfer, any Domain Name, Licensor may submit this Agreement to the Domain Name registrar to effect the transfer, and (III) if the Domain Name registrar does not accept this Agreement to effect the transfer, Licensor may file an arbitration proceeding under ICANN to obtain the transfer of the Domain Name to Licensor. Should Licensor be required to file any proceedings to obtain the return of any Brand Name/Account, Licensee shall reimburse Licensor for all costs incurred whatsoever in connection with such proceeding, including, without limitation, attorneys' fees, filing fees and other costs.

(f) Protection of Reputation. Licensee hereby acknowledges and agrees that maintaining and protecting the high quality, prestige and reputation of the Licensed Property and Brand Rights (collectively, "Reputation") are of the utmost importance to Licensor. As such, Licensee: (i) shall monitor and supervise the merchandising and display of the Licensed Products to be sold via all Approved Accounts (including via approved E-Commerce Sites) so that the Licensed Property and Brand Rights are properly and correctly displayed, and that the Licensed Products are shown and sold, in a manner consistent with the Reputation; it being understood that: (A) in the event of any inconsistency with the foregoing (whether found by Licensor or Licensee), the finding Party shall notify the other Party, and Licensee shall immediately and diligently work to ensure such inconsistency is rectified (including, without limitation, supervising all acts of the applicable Approved Account, if necessary), and (B) should any such Approved Account fail to rectify the same within a reasonable time period determined by Licensor, then Licensee shall immediately cease all distribution and/or sale of Licensed Products to such Approved Account; (ii) shall, in determining the sales price (including discounts) of the Licensed Products: (A) designate a suggested retail price that is not so low or so high as to adversely affect the Reputation of the Licensed Property or the quality of the Licensed Products; (B) ensure that the suggested retail price for all Licensed Products is reasonable and consistent with the retail pricing generally established for the Licensed Products throughout the world, as well as consistent with the Reputation of the Licensed Property, the quality of the Licensed Products, and the worldwide Advertising & Promotion thereof; and (C) for periods when Licensed Products are offered for special sale at retail, actual retail prices should not be reduced from the original suggested retail pricing in a manner or in an amount inconsistent with the Reputation of the Licensed Property or Licensed Products; (iii) shall not, sell Articles as "seconds," "irregulars," "damaged" or under similar circumstances without Licensor's Approval, nor shall Licensee sell any Licensed Products that are stale, past their shelf lives, diluted or corrupted in any way; and (iv) Licensee shall, not shall Licensee permit any Licensee Party or third party to, perform any act (whether my commission or omission) which may, directly or

indirectly, adversely affect any rights of Licensor in and to the Licensed Property or Brand Rights, reduce the value of any of the Licensed Property or Brand Rights, or detract from the Reputation of the Licensed Property or Brand Rights in any manner. Licensee hereby acknowledges that, in connection with the foregoing, Licensor is permitted to take all actions which it deems necessary, in Licensor's sole discretion, to ensure that the Licensed Products sold hereunder are consistent with the Reputation of the Licensed Property.

6. REPRESENTATIONS AND WARRANTIES.

(a) Licensor's Representations & Warranties; Disclaimer. Licensor represents and warrants to Licensee that, as of the Effective Date, it has the necessary right, power and authority to enter into this Agreement and to grant the rights in and to the Licensed Property for the Products in the Territory, to the extent the same are covered by Registrations (if any) hereunder. Notwithstanding the foregoing or anything contained herein to the contrary, Licensee hereby acknowledges that Licensor has not made, and is not making, any other representation or warranty, whether express or implied, to Licensee, including, without limitation with respect to: (i) Licensor or any Licensor Party; (ii) the popularity, success, continued exploitation of, and/or marketing and advertising budget with respect to, the Licensed Property; (iii) the amount of Net Sales or profits Licensee may derive under this Agreement from the sale or distribution of the Licensed Products; or (iv) trademark protection, for the Licensed Property or otherwise, for any products, or in any countries, for which Licensor does not have registered trademark protection. For the avoidance of doubt and for purposes of clarity, a pending application does not and shall not constitute registered trademark protection for purposes hereof.

(b) Licensee's Representations & Warranties. Licensee represents and warrants to Licensor that:

(i) (A) It has the full right, power and authority to enter into the Agreement and to perform all of its obligations hereunder (including, without limitation, to operate the Business as contemplated hereunder); (B) it is adequately staffed and financially capable of undertaking the business operations which it conducts and of performing its obligations hereunder; (C) it is duly organized, validly existing and in good standing under the Laws of its state of organization; (D) all necessary acts have been effected by it to render the Agreement valid and binding upon it; (E) in its negotiations relative to the Agreement, it has not utilized the services of any finder, broker or agent and it owes no commission or fees to any such person in relation hereto; and (F) there is no pending or threatened litigation which may affect Licensee's ability to fully perform its obligations herein;

(ii) Licensee and each of Licensee's parent, subsidiary and affiliated companies, and each of their respective officers, directors, shareholders, employees, licensees, distributors, Sub-Contractors, agents, attorneys, designees, successors and assigns (collectively, "Licensee Party(ies)") shall comply with and act in accordance with (A) any and all applicable laws and other legal obligations of or in the Territory including, without limitation, local, state, federal and international directives, rules, assessments, regulations, filing requirements, ordinances, statutes, codes, judgments and civil or common law (including, without limitation, all laws regarding trademarks, copyrights, rights of publicity or any other intellectual property rights); (B) conventions and treaties to which any country, region and/or portion of the Territory and, if not included in the Territory, the United States, and any legal subdivisions thereof, is a party; and (C) industry and trade-association standards, rules or regulations (all of the foregoing in sub-sections (A), (B) and (C) being defined herein, collectively, as "Laws");

(iii) (A) The Licensed Products and all Advertising & Promotion by Licensee, if applicable, shall be of high quality in design, material and workmanship; (B) no injurious deleterious or defamatory material, writing or images shall be used in or on the Licensed Products or Advertising & Promotion; (C) the Licensed Products shall be merchantable and fit for the intended use herein, shall in all respects be safe to consumers and shall be manufactured, tested, labelled, certified, distributed, advertised, marketed, and promoted, as applicable, in accordance with all applicable Laws; (D) the Licensed Products and any Advertising & Promotion shall not infringe upon or violate any intellectual property right, any right of publicity, or any similar right of any other person or entity; (E) Licensee shall undertake a level of customer service and provide warranties to consumers at least as favorable as is standard in its industry; and (F) Licensee shall comply with any and all product recalls issued by the Consumer Product Safety Commission (CPSC) or any other local, federal or state agency or Laws;

(iv) Licensee shall not create, incur or permit any encumbrance, lien, security interest, mortgage, pledge, assignment or other hypothecation upon this Agreement or permit the commencement of any proceeding or foreclosure action on this Agreement or to obtain any assignment thereof, whether or not involving any judicial or nonjudicial foreclosure sales; and

(v) Licensee has not and will not, during the Term or at any time after expiration of the Term, create any expenses chargeable to Licensor without Approval.

7. INDEMNIFICATION.

(a) Licensor's Indemnification Obligations. Licensor shall indemnify, defend and hold harmless Licensee from and against any and all third-party claims, liabilities, demands, causes of action, judgments, settlements, damages, liabilities, costs and expenses (including, without limitation, reasonable outside attorney's fees and court costs) (individually and collectively, "Claim(s)") arising solely out of or in connection with the breach by Licensor of any of its express representations or express warranties in this Agreement. Licensor shall not be liable to Licensee or any third party under this Section 7(a) to the extent that: (i) any such Claim has not yet been reduced to a final, non-appealable judgment by a court of competent jurisdiction; (ii) any Claim is determined by a court of competent jurisdiction to result from any conduct of Licensee or any Sub-Contractors; or (iii) Licensee is required to indemnify Licensor pursuant to Section 7(b) of the Standard Terms below.

(b) Licensee's Indemnification Obligations. Licensee shall indemnify, defend and hold harmless Licensor and its current and future parents, subsidiaries, affiliated companies and each of their respective current and future officers, directors, shareholders, employees, licensees, agents, attorneys, successors and assigns (each, individually, a "Licensor Indemnified Party") from and against any and all direct and/or third-party Claims, including, without limitation, any Claims by or from any local, state or federal government or regulatory agency, authority or board, arising out of or in connection with any one (1) or more of the following: (i) the breach by Licensee or any Sub-Contractor of any of its express or implied representations, warranties or covenants in this Agreement; (ii) the failure by Licensee or any Sub-Contractor to perform any of its obligations under this Agreement; (iii) the design, development, production, manufacture, distribution, shipment, sale and/or other exploitation of the Licensed Products, or any Advertising & Promotion (including, without limitation, any product liability, false advertising and/or infringement Claims); or (iv) any acts, whether by omission or commission, by Licensee or any Licensee Party (including any Sub-Contractor), which may arise out of, in connection with, or is any way related to, the Business and/or this Agreement. Licensee shall not be liable to any Licensor Indemnified Party under this Section 7(b) to the extent that: (A) any Claim is determined by a court of competent jurisdiction to result solely and directly from any gross negligence or willful misconduct of Licensor; or (B) Licensor is required to indemnify Licensee pursuant to Section 7(a) of the Standard Terms above. Licensee hereby agrees that Licensor's approval (including, without limitation, any Approval) shall not waive, diminish or negate Licensee's indemnification obligations to the Licensor Indemnified Parties herein.

(c) Indemnification Process. The Party to be indemnified hereunder (the "Indemnitee") must give the indemnifying Party hereunder (the "Indemnitor") prompt written notice of any Claim, and the Indemnitor, in its sole discretion, may then take such action as it deems advisable to defend such Claim on behalf of the Indemnitee. In the event that appropriate action is not taken by the Indemnitor within thirty (30) days after the Indemnitor's receipt of written notice from the Indemnitee, the Indemnitee shall have the right to defend such Claim with counsel reasonably acceptable to the Indemnitor, and no settlement of any such Claim may be made without the prior written approval of the Indemnitor, which approval shall not be unreasonably withheld, conditioned or delayed. Even if appropriate action is taken by the Indemnitor, the Indemnitee may, at its own cost and expense, be represented by its own counsel in such Claim. In any event, the Indemnitee and the Indemnitor shall keep each other fully advised of all developments and shall cooperate fully with each other in all respects with respect to any such Claim.

8. INSURANCE. In the event that any insurance policy required under this Agreement includes or permits a waiver of subrogation, such waiver shall apply to Licensor. In the event that any insurance policy required hereunder provides for a waiver of subrogation in the event that such waiver is required by a third-party agreement, then this Agreement shall be deemed to require such waiver. Licensee shall notify Licensor of all claims regarding the Licensed Property, Materials or Licensed Products under any of the foregoing policies of insurance promptly upon the filing thereof. Licensee's indemnification obligations hereunder shall not be limited by the amount of insurance requirements hereunder. Licensor shall be entitled to its proportionate share of the insurance proceeds received by Licensee in respect to the Licensed Rights, and Licensee shall report the same on Licensee's Statement for the Calendar Quarter in which any such insurance proceeds are received.

9. TERMINATION.

(a) Licensor's Right to Terminate.

(i) Licensor shall have the right, but not the obligation, to suspend its performance hereunder and/or terminate this Agreement (or any sell-off rights that may be granted pursuant to Section 10(b) of the Standard Terms below) in its entirety upon the occurrence of any of the following events:

(A) The failure of Licensee to make any payment required to be made under this Agreement, which failure is not cured within five (5) business days of Licensee's receipt of written notice from Licensor of the same; and/or

(B) The breach by Licensee of any representations or warranties herein, or the failure of Licensee or to comply with any of the other terms of this Agreement or otherwise discharge its duties hereunder (it being understood that any such failure related to non-payment shall be governed by Section 9(a)(i)(A) above), and such breach or failure, if capable of cure, is not cured within fifteen (15) days of Licensee's receipt of written notice from Licensor of the same; and/or

(C) The breach by Licensee of any provision of this Agreement, or the failure of Licensee to comply with any of the terms of this Agreement or otherwise discharge Licensee's duties hereunder, more than one (1) time during the Term; and/or

(D) The failure by Licensee to procure (D) maintain insurance, or to issue and maintain any COI or Letter of Credit, as required pursuant to the terms of this Agreement; and/or

(E) Any act of gross negligence or wanton misconduct by Licensee, and such action is not corrected within ten (10) days of Licensee's receipt of written notice from Licensor of the same; and/or

(F) Any termination of any other agreement between Licensor or any of Licensor's affiliates and Licensee or any of Licensee's parents, subsidiaries, affiliates and/or shareholders; and any termination of this Agreement shall permit Licensor to terminate any or all such other agreements; and/or

(G) The cessation of operations by Licensee, including, without limitation, Licensee's failure to continuously and diligently seek to fill all accepted purchase orders for Licensed Products, for a continuous period of ninety (90) days; and/or

(H) The making by Licensee of an assignment for the benefit of creditors, or the filing by or against Licensee of any petition under any federal, national, state or local bankruptcy, insolvency or similar Laws, if such filing shall not have been dismissed or stayed within sixty (60) days after the date thereof.

(ii) Licensee hereby acknowledges that Licensee shall not have an opportunity to cure any breach which, by its terms or implication, cannot be cured, including, without limitation, any failure to make the Minimum Net Sales; selling Licensed Products outside the Territory, to any account that is not an Approved Account; release of any Materials bearing the Licensed Property without prior Approval. Licensee further acknowledges that time is of the essence with respect to the performance of Licensee's duties and obligations under the Agreement and all dates relating thereto.

(b) Licensee's Right to Terminate. Licensee shall have the right, but not the obligation, to terminate this Agreement in its entirety upon the occurrence of the material breach by Licensor of any of its express representations or express warranties herein, and such breach is not cured within thirty (30) business days of Licensor's receipt of written notice from Licensee of the same.

10. EXPIRATION OR TERMINATION OF AGREEMENT.

(a) Effect of Expiration or Termination.

(i) Reversion of Rights, Survival. Except for the limited rights, if any, that may be granted to Licensee pursuant to Section 10(b) of the Standard Terms below, upon any expiration or termination of this Agreement for any reason, all rights granted hereunder (including, without limitation, the Licensed Rights, the right to manufacture, distribute and sell Licensed Products, the right to engage in any Advertising & Promotion, and all rights with respect to Sub-Contractors and Sub-Contractor Agreements) shall revert to Licensor, and Licensee shall have no further rights whatsoever. Sections 2, 3(e), 5, 6, 7, 8, 10, 11, 12, 13, 15, 16 and 17 of the Standard Terms, and any other obligations under the provisions of this Agreement which, by their term or implication, have a continuing effect, shall survive any expiration or termination of this Agreement. In the event that Licensor terminates this Agreement, Licensee hereby waives any claim for injunctive relief to contest Licensor's determination that a termination event has occurred or to otherwise affect Licensor's full and absolute control of any Licensed Property and/or Brand Rights, and Licensee hereby

waives any right to any such determination; provided, however, nothing in this Section shall preclude Licensee from bringing an action for damages, but prior to and during any such action, Licensor shall have full and absolute control over any Licensed Property and/or Brand Rights. Licensor may suffer material and irreparable damage if Licensee breaches or threatens a breach of this Agreement, including if Licensee continues to manufacture, offer for sale, sell, advertise, promote, or distribute Licensed Products upon the expiration or termination of this Agreement, and Licensor may have no adequate remedy at law because it may be difficult or impossible to establish the full and precise monetary value of such damage.

(ii) Payments. Any and all unpaid amounts under this Agreement for the balance of the then-current Contract Period (including, without limitation, any and all Advertising Commitment, CMF and Royalties accrued as of the date of expiration or termination, in addition to any and all Guaranteed Minimum Royalties and Minimum CMF that would have accrued but for the termination) shall be immediately due as of the effective date of expiration or termination, and shall be paid to Licensor no later than: (A) fifteen (15) days from the expiration of this Agreement, or (B) five (5) days from the termination of this Agreement. In no event shall any expiration or termination of this Agreement, or any payment to Licensor pursuant to the preceding sentence, excuse Licensee from any breach or violation of this Agreement, and Licensor shall have and hereby reserves all rights and remedies that Licensor has, or are granted to Licensor by operation of law.

(iii) Transition. Notwithstanding any provision of this Agreement to the contrary: (A) Licensor shall have the right, prior to the expiration or termination of this Agreement, to enter into a new license agreement with a third party for the same or similar rights granted to Licensee hereunder, and such third party shall be permitted to design, manufacture and show its Licensed Products, and accept orders therefor; provided, however, that, if any portion of the Licensed Rights hereunder have been granted on an exclusive basis, then none of such third party's Licensed Products produced pursuant to such new license agreement are shipped, to the same Distribution Channels in the Territory, until the expiration or termination of this Agreement; and (B) Licensee hereby agrees that Licensee shall not, in anticipation of the expiration of the Term, increase manufacturing of, or accept orders for, Licensed Products for sale during the Sell-Off Period. Licensee hereby waives any and all right, and shall have no recourse, to make any claims against Licensor regarding any transition activities by or on behalf of Licensor as described in this Section.

(iv) Notwithstanding any provision of this Agreement to the contrary, Licensor and Licensee hereby acknowledge and agree that, except to the extent needed to fill existing orders during the final six (6) months of the final Contract Period before expiration of the Agreement (i.e., of the Initial Term in the event Licensee does not effectively exercise any Renewal Option in accordance with the Agreement, or of an applicable Renewal Term in the event Licensee does effectively exercise the Renewal Option in accordance with the Agreement), as applicable, (i) Licensee shall not manufacture or have manufactured any Licensed Product(s) (e.g., Licensee shall not place any new purchase orders with any suppliers or Sub-Contractors, as applicable) during the six (6) months prior to the end of the then-current Contract Period, unless otherwise agreed to in writing by Licensor, and (ii) Licensee shall not manufacture or have manufactured any Licensed Product(s) (e.g., Licensee shall not place any new purchase orders with any suppliers or Sub-Contractors, as applicable) in excess of one hundred ten percent (110%) of Net Sales during the penultimate Contract Year of the then-current Contract Period, except as against confirmed orders for delivery before the last day of the then-current Contract Period.

(b) Sell-Off Period.

(i) Rights. In the event that: (A) this Agreement has expired (i.e., pursuant to its terms, and not, for the avoidance of doubt, terminated pursuant to the terms hereof), (B) Licensee is not in breach of this Agreement, (C) all Guaranteed Minimum Royalties, Royalties, Minimum CMF, CMF and other required payments have been received in full by Licensor, and all Advertising Commitments have been spent by Licensee (and/or paid to Licensor, as applicable), and (D) Licensee has provided to Licensor a report showing all of Licensee's then-current and in-production inventory of Licensed Products ("Inventory"), in a form acceptable to Licensor, then: Licensee shall have the non-exclusive right, for a period of ninety (90) days following the expiration of this Agreement (the "Sell-Off Period"), to sell-off such Inventory pursuant to all terms and conditions of this Agreement, but only to Approved Accounts that are specifically Approved for the Sell-Off Period.

(ii) Terms. During the Sell-Off Period: (A) Licensee shall deliver Statements to Licensor, and pay to Licensor all earned Royalties and CMF, on a monthly basis, within ten (10) days following the expiration of each calendar month during the Sell-Off Period; (B) Licensee shall not have the right to manufacture or have manufactured any Licensed Products that were not already in Inventory prior to the Sell-Off Period, (C) Licensee shall not engage in any Advertising & Promotion of the Licensed Products; and (D) except as Approved by Licensor, Licensee shall not be permitted to re-brand or re-label any Licensed Products in Inventory. Licensee hereby acknowledges and agrees that no Royalties or

CMF earned from Net Sales during the Sell-Off Period may be credited towards any Guaranteed Minimum Royalties or Minimum CMF, respectively, previously paid or otherwise owing to Licensor during any Contract Year.

(c) Return & Destruction. Within ten (10) days of any expiration or termination of this Agreement, Licensee shall, as directed by Licensor, destroy or return to Licensor, at Licensee's sole cost, any and all materials bearing the Licensed Property and/or Brand Rights, as well as all materials used for the manufacture, distribution and/or sale of Licensed Products and/or for Advertising & Promotion efforts hereunder, including, without limitation, the Brand Toolbox, Prototypes, all design information and materials relating to Licensed Products (including patterns, tech-packs and designs) and related materials as may be necessary or appropriate to produce Licensed Products. Upon any termination of this Agreement or any sell-off rights that may have been granted pursuant to Section 10(b) of the Standard Terms above, and/or upon the expiration of the Sell-Off Period, Licensor shall have the right, but not the obligation, to purchase Licensee's remaining Inventory. In the event Licensor elects not to purchase such Inventory, then Licensee shall promptly destroy the same, and furnish Licensor with a certificate of destruction within thirty (30) days of the applicable expiration or termination hereunder.

11. CUMULATIVE RIGHTS & REMEDIES; LIMITATION OF LIABILITY.

(a) All Rights Cumulative. All rights and remedies conferred upon or reserved by the Parties in this Agreement shall be cumulative and concurrent and shall be in addition to all other rights and remedies available to such Parties at law or in equity or otherwise, including, without limitation, requests for temporary and/or permanent injunctive relief. Such rights and remedies are not intended to be exclusive of any other rights or remedies and the exercise by either Party of any right or remedy herein provided shall be without prejudice to the exercise of any other right or remedy by such Party provided herein or available at law or in equity.

(b) Equitable Relief. Licensee acknowledges that any breach by Licensee shall cause Licensor irreparable harm for which there is no adequate remedy at law, and in the event of such breach, Licensor shall be entitled to, in addition to other available remedies, injunctive or other equitable relief, including, without limitation, interim or emergency relief, including, without limitation, a temporary restraining order or preliminary or permanent injunction or such other alternative relief as may be appropriate before any court with applicable jurisdiction, to protect or enforce its rights, without posting any bond and without the necessity of showing actual monetary damages.

(c) LIMITATION OF LIABILITY. TO THE MAXIMUM EXTENT PERMISSIBLE UNDER APPLICABLE LAW, NEITHER LICENSOR NOR ABG SHALL BE LIABLE TO LICENSEE OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR SPECIAL DAMAGES, OR FOR LOSS OF GOOD WILL OR BUSINESS PROFITS, REGARDLESS OF THE FORM OR ACTION, WHETHER IN CONTRACT OR IN TORT, EVEN IF LICENSOR OR ABG HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES. IN NO EVENT SHALL LICENSOR'S TOTAL LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNTS ACTUALLY RECEIVED BY LICENSOR (EXCLUSIVE OF REIMBURSEMENT OF EXPENSES) HEREUNDER, REGARDLESS OF THE NUMBER OR TYPE OF CLAIMS.

12. CONFIDENTIALITY.

(a) Confidential Information. For purposes of this Agreement, "Confidential Information" shall be defined as, with respect to each Party: non-public and/or proprietary information relating to a Party's business or operations, which information may be written, oral or maintained in electronic or any other form, which information is obtained, received, developed or derived by such Party, either directly or indirectly, by any means of communication or expression, prior to or during the Term of this Agreement, and shall include, without limitation: (i) finances, technology or other technical data, trade secrets, inventions, processes, formulas and know-how, (ii) designs, drawings, services, products, product plans, product development, marketing, marketing plans and information, customers, potential business partners, market information, suppliers, vendors, retailers, manufacturers, factories, (iii) all documents, analyses, reports, research, business plans, studies, diagrams, marketing information or other materials that contain information, (iv) the existence of this Agreement and the terms hereof. All Confidential Information is and shall remain the property of the disclosing Party.

(b) Exclusions from Confidential Information. As used in this Agreement, the term 'Confidential Information' shall not include any information that: (i) now or hereafter becomes, through no unauthorized act by or on behalf of the receiving Party, generally known or available to the public; (ii) was known to the receiving Party, by lawful means, at the time the receiving Party receives the same from the disclosing Party; (iii) was furnished to the receiving Party by a third

party that does not have an obligation of confidentiality to the disclosing Party with respect thereto; or (iv) was independently developed by the receiving Party without use of or access to the disclosing Party's Confidential Information.

(c) Obligations. Each Party acknowledges that it may have access to the other Party's Confidential Information, the value of which may be impaired by misuse, or by disclosure to a third party. The receiving Party agrees that it will not disclose such Confidential Information, except that the receiving Party may disclose the other Party's Confidential Information in order to perform the receiving Party's obligations under this Agreement, but solely to those who: (i) have a "need to know" such Confidential Information, and (ii) are instructed and have agreed, in writing, not to disclose the Confidential Information, or use the Confidential Information for any purpose other than pursuant to the terms of this Agreement. The receiving Party shall take reasonable precautions to protect the confidentiality of the other Party's Confidential Information. Such precautions may, if requested by the disclosing Party, include the use of separate written confidentiality agreements, in a form approved by the disclosing Party. Following the expiration or termination of this Agreement, no Party shall disclose or use any of the other Parties' Confidential Information for any purpose, unless otherwise agreed in writing by the disclosing Party. Each Party agrees to notify the other Party of the circumstances surrounding any inadvertent disclosure of Confidential Information by the receiving Party.

(d) Mandatory Disclosure. Nothing in this Agreement shall prevent the receiving Party from disclosing Confidential Information of the disclosing Party to the extent the receiving Party is required to do so by the rules of an applicable securities market or exchange, or is legally compelled to do so by any governmental investigative or judicial agency or court pursuant to proceedings over which such agency or court has jurisdiction; provided, however, that prior to any such disclosure, the receiving Party shall (i) assert the confidential nature of the Confidential Information to the market, exchange or agency or court; (ii) promptly notify the disclosing Party in writing of the requirement, order or request to disclose; and (iii) at the disclosing Party's sole cost and expense (excluding the receiving Party's outside attorney fees), cooperate fully with the disclosing Party in protecting against any such disclosure and/or obtaining a protective order narrowing the scope of the compelled disclosure and protecting the confidentiality of the Confidential Information. Any Confidential Information that is disclosed under this Section shall otherwise remain subject to the provisions of this Agreement.

13. LEGAL PROCEEDINGS.

(a) Applicable Law. This Agreement and the legal relations among the Parties hereto shall be governed by and construed in accordance with the laws of the State of New York (including, without limitation, with respect to the full faith and credit accorded to the United States federal laws, e.g., the United States Lanham Act), applicable to such agreements wholly made and to be performed within New York, notwithstanding any conflict of law provisions to the contrary. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

(b) Jurisdiction. Except that Licensor may bring: (i) an equitable proceeding in any jurisdiction where appropriate by reason of its subject matter, and/or (ii) any proceeding related to any claims made by Licensor for amounts payable from Licensee hereunder in any jurisdiction where appropriate by reason of Licensee's domicile and/or minimum contacts with such jurisdiction, the Parties hereby agree that: any other action which in any way involves the rights, duties and obligations of any Party hereto under this Agreement shall be brought in courts located in New York County, New York, and the Parties hereby submit to the personal jurisdiction of such courts. In addition to the rights accorded to Licensor in items (i) and (ii) of this Section above, Licensor may bring an action to enforce any judgment hereunder in any venue, forum, and jurisdiction, that Licensor may deem appropriate, whether by reason of Licensee's domicile or otherwise. Each of the Parties waives any objection that it may have based on improper venue or forum non conveniens to the conduct of any such suit or action in any such court. The Parties agree that service of process deposited in certified or registered mail addressed to the other Party at the address for the other Party set forth in this Agreement shall be deemed valid service of process for all purposes.

(c) WAIVER OF TRIAL BY JURY. EACH OF THE PARTIES HEREBY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY AND ALL ACTIONS OR PROCEEDINGS IN ANY COURT, WHETHER THE SAME IS BETWEEN THEM OR TO WHICH THEY MAY BE PARTIES, AND WHETHER ARISING OUT OF, UNDER, OR BY REASON OF THIS AGREEMENT, OR ANY ACTS OR TRANSACTIONS HEREUNDER OR THE INTERPRETATION OR VALIDITY THEREOF, OR OUT OF, UNDER OR BY REASON OF ANY OTHER CONTRACT, AGREEMENT OR TRANSACTION OF ANY KIND, NATURE OR DESCRIPTION WHATSOEVER, WHETHER BETWEEN THEM OR TO WHICH THEY MAY BE PARTIES.

14. ASSIGNABILITY.

(a) This Agreement is of a personal nature with respect to Licensee, and therefore Licensee shall not assign, sub-license, encumber or transfer this Agreement or any of its rights or obligations hereunder, directly or indirectly, whether pursuant to any change of ownership, control or otherwise, without Approval. Any attempted assignment, sub-license, encumbrance or transfer by Licensee in violation of the foregoing shall be void and of no force or effect. Licensor shall have the right to assign, encumber and/or transfer any or all of its rights and/or obligations under this Agreement, in any form or manner, without the knowledge, consent or approval of Licensee. This Agreement shall be binding upon and inure to the benefit of the Parties to this Agreement and their respective successors and permitted assigns

(b) Notwithstanding anything to the contrary contained herein, the Parties hereby acknowledge and agree that (i) the Agreement is a personal services contract under which Licensor is relying on performance by Licensee, in which Licensor has placed its trust and confidence, (ii) Licensee provides unique goods and services under this Agreement that are personal in nature to the Licensee, and (iii) Licensor is relying on Licensee's performance in particular under this Agreement and would be irreparably harmed by the assignment of this Agreement by Licensee without Licensor's prior written consent. The Parties further hereby acknowledge and agree that (A) this Agreement is subject to applicable law governing trademarks, including 15 U.S.C. § 1051 et seq. (the "Lanham Act"), (B) under applicable law, this Agreement shall not be assignable by Licensee without Licensor's prior written consent, and (C) Licensor is relying on the restrictions on assignability under applicable law, including the Lanham Act, and under this Agreement, to allow Licensor to satisfy its duty to control the quality of goods sold under the Licensed Property. The Parties further hereby acknowledge and agree that as a result of the foregoing, in the event that Licensee becomes a debtor in a bankruptcy case under 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), (x) this Agreement shall not be assignable by Licensee without Licensor's consent, pursuant to section 365(c)(1) of the Bankruptcy Code, and (y) Licensor shall be permitted to exercise its right to terminate this Agreement, pursuant to section 365(e)(2) of the Bankruptcy Code.

15. NOTICES.

(a) Requirements for Notices. All notices, requests, demands and other communications required or permitted to be made hereunder ("Notices") shall be in writing, in the English language, and signed by an authorized representative of the Party delivering such notice. All such Notices shall be deemed duly given: (i) at the time of delivery, if hand delivered to the corporate office for the Party to whom Notice is being delivered, against a signed receipt therefor; (ii) when transmitted by email; or (iii) upon delivery, if sent to the Party at the address and/or contact listed in this Agreement for such type of Notice, by registered or certified mail, return receipt requested, first class postage prepaid, or nationally recognized overnight delivery service (e.g., FedEx). Either Party may alter the address to which Notices are to be sent hereunder by giving Notice of such change to the other Party in conformity with the provisions of this Section.

(b) Licensee's Addresses for Notices. All Notices to Licensee shall be delivered to Licensee at the address for Licensee specified in the Commercial Terms.

(c) Licensor's Addresses for Notices. All Notices to Licensor shall be delivered to Licensor as follows:

(i) If to Licensor for questions about submitting Approval requests:

c/o Authentic Brands Group, LLC
1411 Broadway, 21st Floor
New York, NY 10018
Attention: Approvals Department
Email: approvals@authenticbrands.com
Facsimile Number: (212) 760-2419

(ii) If to Licensor for questions about submitting Reports:

c/o Authentic Brands Group, LLC
1411 Broadway, 21st Floor
New York, NY 10018
Attention: Finance Department
Email: finance@authenticbrands.com
Facsimile Number: (212) 760-2419

(iii) If to Licensor for any other reason:

c/o Authentic Brands Group, LLC
1411 Broadway, 21st Floor
New York, NY 10018
Attention: Legal Department

16. Data Controller. Licensee acknowledges that it is a separate data controller of any personal data it processes in the performance of its obligations under this Agreement and shall, and shall procure that Licensee's personnel shall, in performing its obligations under this Agreement, comply in all respects with relevant data protection and/or privacy laws, regulations, instruments or codes of practice relating thereto ("Data Protection Laws"), and otherwise in accordance with this Section and any Licensor policies that have been notified to Licensee. If Licensee relies on an international data transfer mechanism (including, without limitation, those approved by the European Commission) to legitimize the transfer of personal data from the originating country, and that data transfer mechanism is held to be invalid, or any data protection authority requires transfers of personal data made pursuant to such mechanism to be suspended, then Licensor may, at its discretion, require Licensee to cease processing personal data to which this Agreement relates, or co-operate with Licensor to facilitate the use of an alternative approved transfer mechanism. Licensee shall (a) keep and maintain all such personal data in strict confidence, and establish and maintain physical, electronic and procedural safeguards to ensure no unauthorized access, use, copying or disclosure of the same; (b) use and disclose personal data solely for the purposes for which it, or access to it, is authorized, and shall not use, sell, rent, transfer, distribute, or otherwise disclose or make available personal data for Licensee's own purposes that are not in connection with this Agreement (except as required by applicable Laws); and (c) upon expiration or earlier termination of this Agreement, transfer such personal data to Licensor or its designee(s). Licensee shall be liable for and shall indemnify, defend and hold harmless Licensor and all other Licensor Indemnified Parties from and against any and all direct and/or third-party Claims, including, without limitation, any Claims by or from any local, state or federal government or regulatory agency, authority or board, arising out of or in connection with Licensee's data processing activities under this Agreement, including, without limitation, those arising out of any third party demand, claim or action, including by a data protection authority, or any breach of contract, negligence, fraud, willful misconduct, breach of statutory duty or non-compliance with any applicable Data Protection Laws by Licensee, any of Licensee's personnel, or any Sub-Contractor.

17. MISCELLANEOUS.

(a) Relationship of the Parties. This Agreement does not constitute and shall not be construed to constitute an agency, partnership, joint venture or any other type of unnamed relationship between Licensor and Licensee. Neither Party shall have the right to obligate or to bind the other Party in any manner whatsoever, and nothing contained in this Agreement shall give or is intended to give any rights of any nature to any third party. Licensor and Licensee both acknowledge and agree that state and federal franchise Laws do not and will not apply to this Agreement or to the relationship between Licensee and Licensor, or to any of their respective rights or obligations hereunder. The Parties agree that, due to their respective business backgrounds and prior licensing experience, they do not need the protection of state or federal franchise Laws.

(b) Default Expenses. If Licensee defaults with respect to any obligation under this Agreement, Licensee shall indemnify Licensor against and reimburse Licensor for all reasonable attorney's fees and all other costs and/or expenses resulting or made necessary by the bringing of any action, motion or other proceeding to enforce any of the terms, covenants or conditions of this Agreement.

(c) Entire Agreement. This Agreement (inclusive of the Commercial Terms, the Standard Terms, and all Exhibits and/or Schedules referenced herein) sets forth the entire agreement and understanding between the Parties with respect to the subject matter hereof, and supersedes all prior agreements, understandings, inducements and conditions, whether express or implied, oral or written, except as herein contained. This Agreement may only be amended or modified by written agreement, duly executed by authorized signatories of, and delivered by, each of the Parties hereto. The express terms of this Agreement shall control and supersede any course of dealing or performance, and/or usage of trade, that is inconsistent with any of the terms hereof.

(d) Waiver & Delays. A waiver by any Party of any provision, breach or default of, or rights under, this Agreement, shall: (i) only be effective if signed by an authorized signatory of the Party waiving the same, (ii) not bar the exercise of the same right on any subsequent occasion or any other right at any time, and (iii) not constitute a continuing waiver of such or any other provision, breach, default or right. Neither the failure of nor any delay on the part of any Party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of the same or of any other right, remedy, power or privilege. Acceptance of payments by Licensor shall not constitute a waiver by Licensor of any breach of or default by Licensee in connection herewith or with its performance hereunder, and shall not be deemed an election from among available remedies nor shall it bar the right of Licensor to seek and obtain termination as a result of Licensee's breach or default or otherwise.

(e) Severability. If any term or provision of this Agreement, as applied to either Party or any circumstance, for any reason shall be declared by a court of competent jurisdiction to be invalid, illegal, unenforceable, inoperative or otherwise ineffective, then: (i) such provision shall be eliminated to the minimum extent necessary, and (ii) such provision shall be reformed and rewritten so as to most closely reflect the intention of Licensor and Licensee, such that this Agreement shall otherwise remain in full force and effect and enforceable. Notwithstanding the foregoing, if any term or provision of this Agreement pertaining to the payment of monies to either Party shall be declared invalid, illegal, unenforceable, inoperative or otherwise ineffective, such Party shall have the right to terminate this Agreement as provided herein.

(f) Further Assurances. Licensee shall execute and deliver to Licensor any and all documents (including, without limitation, short form assignments) requested by Licensor, in Licensor's sole discretion, to perfect Licensor's right, title and interest in and to all of the Brand Rights and/or to effectuate the purpose and intent of this Agreement, and Licensee shall cooperate with Licensor in connection with the same. Licensee hereby irrevocably appoints Licensor as Licensee's attorney-in-fact to execute in Licensee's name and on Licensee's behalf any and all instruments and documents which Licensor has requested Licensee to execute in accordance with the terms of this Agreement, but which for whatever reason, Licensee failed to execute and return to Licensor within five (5) days of Licensor's request therefor. This power is coupled with an interest.

(g) Form & Construction; Language.

(i) Section and Sub-Section headings in this Agreement are included for ease of reference only and do not constitute substantive matter to be considered in construing the terms of this Agreement. As used in this Agreement: (A) the masculine gender shall include the feminine and the singular form of words shall include the plural, or vice versa, as necessary in order that this Agreement may be interpreted so as to conform to the subject matter actually existing, and (B) the term 'including' shall mean "including, without limitation" unless otherwise specifically provided. In the event of any dispute regarding any term defined herein, Licensor's good faith interpretation of the same shall control. To the extent that any defined term used in these Standard Terms is not specifically defined in these Standard Terms or in the Commercial Terms that are a part of this Agreement, such provision shall be eliminated to the minimum extent necessary, such that this Agreement shall otherwise remain in full force and effect and enforceable. Each Party has cooperated in the drafting and preparation of this Agreement, and no dispute with respect to this Agreement should be resolved based on the conclusion that either Licensee or Licensor was the drafter.

(ii) The English language version of this Agreement is and shall be deemed to be the only version of this Agreement. All communications relating to this Agreement, both formal and informal (including, without limitation, all Notices), shall be in English. If Licensee transmits any information to Licensor in any other language, Licensor shall be permitted have such documents translated, and Licensee shall pay all costs and expenses related to any such translation. If Licensee has this Agreement translated for the purpose of submitting it to any local, provincial or national government or official body, Licensor shall have the right to review and correct the translation prior to submission thereof. All hearings related to any dispute concerning this Agreement shall be in English, unless otherwise requested by Licensor.

(h) Other Agreements. Nothing contained in this Agreement shall be considered a precedent for any future agreements that Licensor or Licensor's affiliates may enter into with Licensee or any other third party, and neither Party hereto shall, either during the Term of at any time thereafter, quote this Agreement as the standard of practice or agreed upon terms in any other agreement between the Parties or their affiliates. Any breach or default under any other agreement between Licensor or any of Licensor's affiliates and Licensee or any of Licensee's parents, subsidiaries, affiliates and/or shareholders, shall constitute a material breach of this Agreement; and any breach or default of this Agreement by Licensee shall constitute a material breach of all such other agreements.

(i) Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) agreement binding on all Parties hereto notwithstanding that all of the Parties hereto are not signatories to the same counterpart. Each of the Parties agrees that an electronic signature evidencing a Party's execution of this Agreement shall be effective as an original signature and may be used in lieu of the original for any purpose.

(j) Exhibits and Schedules. All Exhibits and Schedules referenced in this Agreement, if any, are hereby incorporated by reference into, and made a part of, this Agreement.

(k) Transaction Expenses. Each Party shall be responsible for its own expenses relating to the negotiation of this Agreement.

(l) Currency & Exchange Rate. All sums set forth in this Agreement are, and are intended to be, expressed in United States Dollars (\$ USD). All payments due under this Agreement shall be paid in the United States in United States Dollars at the Foreign Exchange Rate (as hereinafter defined). For the purposes hereof, the term "Foreign Exchange Rate" means, for any particular currency, the quarterly average for such currency as quoted at www.oanda.com (to the extent that www.oanda.com provides quotations therefore, or such other resource that is mutually satisfactory to Licensor and Licensee) at 9:00 a.m. Eastern Time, on the date on which any relevant payment hereunder is due.

This Exhibit A is attached to and made part of the Agreement between **Licensor** and **Licensee** as specified in the Commercial Terms.

EXHIBIT A

Standards of Practice

Overview

In order to maintain high standards for decent and humane working conditions throughout the operations of Licensor's and Licensee's businesses, Licensor has established specific minimum guidelines for all partners around the world, including, without limitation, Licensee and all of Licensee's Sub-Contractors. Licensor requires Licensee and all Sub-Contractors to operate in compliance with local laws and, in addition, these *Standards of Practice*, through a monitored certification process.

Licensor believes that these *Standards of Practice* will help ensure that decent and humane working conditions are provided to the employees of Licensee and its Sub-Contractors. Where any Licensee or Sub-Contractor is found to be in violation of these *Standards of Practice*, corrective action may be initiated, and unless such violation is promptly and sufficiently corrected, Licensor may, among other things, require Licensee to cease business with the offending Sub-Contractor. Licensor believes that consumers can have confidence that products manufactured in compliance with these *Standards of Practice* are not produced under exploitative or inhumane conditions.

Standards of Practice

Forced Labor

Licensee must certify that neither Licensee nor any of its Sub-Contractors uses any forced or involuntary labor - prison, indentured, bonded or otherwise.

Child Labor

Licensee must certify that no person shall be employed by Licensee or any of its Sub-Contractors at an age younger than: (a) fifteen (15) years of age (or 14 where the law of the country allows), or (b) the age for completing compulsory education in the country of operations, where such age is higher than fifteen (15) years of age. Workers under 18 years of age should not perform work likely to jeopardize the health or safety of young persons.

Harassment or Abuse

Licensee must certify that every employee of Licensee and any of its Sub-Contractors shall be treated with respect and dignity, and that no employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

Nondiscrimination

Licensee must certify that no person shall be subject, by Licensee or any of its Sub-Contractors, to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of race, religion, gender, age, disability, sexual orientation, gender identity or expression, military status, nationality, political opinion, social or ethnic origin, or any other characteristic that is protected by applicable law.

Health and Safety

Licensee must certify that workers of Licensee and its Sub-Contractors will be provided a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of contractors' facilities.

Freedom of Association and Collective Bargaining

Licensee must certify that, as applicable, Licensee's and its Sub-Contractors' employees' rights to freedom of association when allowed by local law and collective bargaining will be recognized and respected.

Wages and Benefits

Licensee must certify that Licensee and each its Sub-Contractors complies with all applicable wage and hour laws and regulations, and that all of their employees will be paid at least the minimum wage required by local law, or the prevailing industry wage, whichever is higher.

Hours of Work/Overtime

Licensee must certify that Licensee and each of its Sub-Contractors complies with applicable regulations concerning work hours mandated by local laws and uses overtime only when employees are compensated according to local law. Licensee must further certify that neither Licensee nor any of its Sub-Contractors will allow any employees to exceed the maximum number of overtime hours provided by local law. Licensor also expects that employees will not routinely work in excess of sixty hours per week and employees will be provided with a minimum of one rest day in every seven-day week.

Benefits

Licensee must certify that Licensee and each of its Sub-Contractors complies with all applicable provisions for legally-mandated benefits, including, without limitation, health care; childcare; sick leave; contributions for social security; life, health, worker's compensation and other insurance mandated by local law.

Environment

Licensee must certify that Licensee and each of its Sub-Contractors complies with applicable country environmental laws and regulations and ensure that all required environmental permits and registrations are obtained, maintained and kept current and that operational and reporting requirements are followed.

Documentation and Inspection

Licensee must:

- (A) Certify to Licensor, on an annual basis, in writing, that each of the above-listed *Standards of Practice* is being met by Licensee and each of its Sub-Contractors by completing the 'Certification Form' attached hereto as Annex 1 and incorporated by reference herein;
- (B) Maintain on file such records and documentation as may be needed to demonstrate compliance with the *Standards of Practice*;
- (C) Make such documents available in the English language to Licensor for audit inspection upon request;
- (D) Provide each of their employees with the opportunity to report noncompliance with workplace standards outlined herein, free from punishment or prejudice for so doing; and
- (E) Post these *Standards of Practice* in the language of the country of manufacture in a common area accessible by all employees.

ANNEX 1

Compliance Certification Form – Standards of Practice

Name of Licensee / Company ("Certifying Party"): _____

Name of Agreement (the "Agreement"): _____

Date of Agreement: _____

Brand(s) / Licensed Property: _____

Authorized Representative of the Certifying Party:

Name Title

By signing below, I hereby attest and certify that: (a) I have read and understand the above-referenced Agreement between, on the one hand, Authentic Brands Group, LLC or any one or more of its parents, subsidiaries, affiliates, or related companies, and, on the other hand, the Certifying Party, (b) the Certifying Party and each of its Sub-Contractors (as defined in the Agreement) has complied with, and met, each of the *Standards of Practice* (as such term is defined in the Agreement) set forth in the Agreement during the calendar year ending December 31, _____, (c) I am an authorized representative of the Certifying Party and have all necessary right, power, and authority to complete and submit this Compliance Certification Form on behalf of the Certifying Company, and (d) all information included on this Compliance Certification Form is true and correct.

Signature of Authorized Representative of the Certifying Party:

Date of Certification: _____

Telephone Number: _____

E-mail Address: _____