Usage and Licensing Agreement

for the MADE IN EU quality seal of origin



of I-MIE GmbH - Initiative MADE IN EU - Salurner Straße 20, A-6330 Kufstein, Austria

Preamble

I-MIE GmbH is committed to the aim of labelling products originating from the European Union with a quality seal of origin, helping make them recognisable for market participants. I-MIE GmbH intends to implement suitable communication, campaigns and activities to expand the awareness level, image and brand value on an ongoing basis and position it as a quality seal of origin within European society.

Section 1 Object of the Agreement

The object of the Agreement is the use of the "MADE IN EU" quality seal of origin of I-MIE GmbH and entry into the online database, subject to payment of an annual usage and licence fee.

Section 2 Licence for the "MADE IN EU" quality seal of origin

- 1. For the term of this Agreement, I-MIE GmbH shall hereby grant to the Company the non-exclusive and non-transferable right to use the quality seal of origin for the products examined by I-MIE GmbH, provided they meet the quality requirements as laid down in Section 3. The Company shall in particular be entitled to label the products, their product presentations and/or their packaging with the quality seal of origin, to offer or market the test products labelled in this way and to promote itself using the quality seal of origin.
- 2. The right to use the quality seal of origin is not subject to any territorial restrictions.
- 3. The Company shall not be entitled to issue sub-licences.

Section 3 Quality requirements and quality control

- The right of use and licence shall only be issued for the products examined by I-MIE GmbH on the
 proviso the Company's products meet the quality requirements as laid down in the paragraph
 below. The Company undertakes to only use the quality seal of origin for those test products that
 meet the quality requirements and to maintain these products for as long as the quality seal of
 origin is used.
- 2. The quality requirements are met if at least 80 % of the value added in terms of production and manufacturing occurs within the European Union (EU). Value added of 100 % is achieved if the entire production and manufacturing process is conducted within the EU area. This share must be reduced accordingly in the case of production and manufacturing services provided outside of the EU, or in cases where third party services or components produced in non-EU countries are used. Pure raw materials must not be included in the value chain.
 - A minimal operation within the EU area will not be sufficient for a licence to be issued. Due care and attention must be paid when conducting the evaluation to ensure there is no unfair competition resulting from misleading statements.
 - If not all of the products or product groups of a given licensing partner meet the requirements, only those products meeting the requirements for the quality seal of origin may be labelled as such.

- 3. At the start of the contractual relationship, I-MIE GmbH shall examine the requirements based on the evidence provided by the Company. The quality seal of origin may only be used once you have passed the examination. I-MIE shall send the licence and quality seal of origin once payment is received.
- 4. Any changes to the test products relating to the quality requirements must be notified immediately to I-MIE GmbH (without undue delay).
- 5. In order to conduct quality controls, I-MIE GmbH shall be entitled to request that the Company supplies suitable evidence confirming compliance with the illustrated quality requirements. It shall also be entitled to do this during the term of the Agreement too. Upon request to do so by I-MIE GmbH and/or representatives of I-MIE GmbH, and following advance notice, the Company undertakes to grant access to its production sites in order to examine the quality requirements. This advance notice must be sent at least 14 days prior to the visit. An audit by I-MIE GmbH may also be performed by auditors or via collection of Intrastat declarations (Eurostat declarations). I-MIE GmbH shall be responsible for choosing the evidence in question. The individuals performing the audit undertake to maintain secrecy and shall be subject to stringent data protection guidelines.

Section 4 Use of the "MADE IN EU" quality seal of origin

- 1. The Company may not alter the quality seal of origin.
- 2. The Company undertakes not to use the quality seal of origin as part of its business or to label its business operations in any other way.
- 3. When using the quality seal of origin for the test products it distributes and/or their packaging, the Company must take suitable measures to ensure there is no impression given that I-MIE GmbH is the manufacturer of the test products. Notwithstanding the above, the Company shall indemnify I-MIE GmbH internally from any product liability claims by third parties.

Section 5 Entry into the Quality Directory

I-Once the product examination has been passed, MIE GmbH undertakes to enter the Company into the Quality Directory (online database) for the duration of the term of the Agreement and existence of the requirements laid down in Section 3. The Quality Directory is available to the general public on the www.made-in.eu website and includes the email and website details, production areas, product descriptions and ID numbers.

Section 6 Remuneration; term of the Agreement

- 1. The annual usage and licence fee for the quality seal of origin amounts to € 950,00.
- 2. For the initial registration of the quality seal of origin, a one-time fee for audit, license creation and inclusion in the database has to be paid:
 - for companies with 1 to 50 employees:
 € 1.540,00 for the initial registration plus € 950,00 annual fee (total amount in the first year: € 2.490,00)
 - for companies with 51 to 250 employees:
 € 2.040,00 for the initial registration plus € 950,00 annual fee
 (total amount in the first year: € 2.990,00)
 - for companies with more than 250 employees:
 € 2.540,00 for the initial registration plus € 950,00 annual fee (total amount in the first year: € 3.490,00)

- 3. An employee is regarded as any individual employed by the company, including part-time employees.
- 4. The remuneration figure is net plus the respectively applicable statutory rate of VAT and shall be due for payment when the invoice is received by I-MIE GmbH.
- 5. This Agreement shall enter into force upon submission of a legally binding licensing application and is concluded for an indefinite period of time. The minimum term of the Agreement is one year commencing from the date

- the licensing documents are sent by I-MIE GmbH. The Agreement can be cancelled by either Party in writing subject to a notice period of 6 months to the end of the term.
- 6. Each Party shall be authorised to terminate this Agreement for good cause. Good cause shall exist in particular if the other Party is culpably in breach of a material obligation it has assumed under the terms of this Agreement and fails to rectify the breach within the set period, despite a warning to do so set within a reasonable period of time.

Section 7 Legal defence of the quality seal of origin; attacks by third parties against use of the quality seal of origin

- 1. If the Company becomes aware of the fact that a third party is using a label and/or registering a trade mark that may potentially be in breach of the quality seal of origin, it must immediately inform I-MIE GmbH of the situation.
- 2. Should the Company be held liable for injunctive relief and/or damages owing to use of the quality seal of origin by a third party, it undertakes to immediately inform I- MIE GmbH of the situation. I- MIE GmbH undertakes to assist the Company to the best of its ability in its efforts to defend against claims asserted against the Company.

Section 8: Exclusion of warranty

I-MIE GmbH shall not assume any guarantee that the rights of third parties will be infringed by the use of the quality seal of origin.

Section 9 Liability

I-MIE GmbH shall not assume any liability for the quality of the test products and compliance with the quality requirements laid down in Section 3.

Section 10 Changes to the Usage and Licensing Agreement

- 1. I-MIE GmbH reserves the right to amend these Usage and Licensing Terms and Conditions at any time, subject to a reasonable notice period of at least six weeks. These changes shall be notified by sending a copy of the amended Usage and Licensing Terms and Conditions in text form to the Company, along with details of the period of validity.
- 2. Unless the Company objects to the amended Usage and Licensing Terms and Conditions in writing or in text form within six weeks of receipt, the amended Usage and Licensing Terms and Conditions shall be deemed to have been accepted.
- 3. In the event the Company objects in good time in accordance with the above paragraph, both Parties shall be entitled to terminate the Agreement at the time when the change to the Usage and Licensing Terms and Conditions takes effect.

Section 11 Final provisions

- 1. The Parties agree on the application of the laws of Austria, excluding application of the United Nations Convention on the International Sale of Goods of 11 April 1980 (CISG).
- 2. The place of jurisdiction shall be Kufstein, Austria, regardless of the disputed amount.
- 3. Any amendments and additions to this Membership and Licensing Agreement must be made in writing. This also applies to any amendment of this written form clause. This does not include any amendment according to Section 10.

4.	Should one or more provisions of this Agreement, including this provision, be or become fully or partly invalid or unimplementable, or should this Agreement have any gaps, the effectiveness of the other provisions shall remain unaffected. The Parties undertake to replace the invalid or missing provision with a valid provision that best achieves the economically intended outcome.