

KG HOUSE OF FASHION WHOLESALE AGREEMENT

Last Revised: June ____, 2020

Welcome to KG's House of Fashion LLC ("KGHOF," "Us," "Our," and/or "We"). We are excited that you are here!

The terms and conditions set forth in this agreement and your ("Buyer") order confirmation and/or invoice (the "Wholesale Agreement") will govern the Buyer's wholesale purchase of KGHOF's goods (the "Goods"). Our Wholesale Agreement is subject to change. By purchasing from us, Buyer agrees to be bound by the Wholesale Agreement in effect at the time you place your order. KGHOF specifically rejects any attempt by Buyer to impose any terms or provisions not specifically included in this Wholesale Agreement, including, but not limited to, those that set any standards, specifications or damages related to quality and time of delivery or which contradict or purportedly claim to supersede this Wholesale Agreement. Please contact us at kg@kghof.com to place a wholesale order.

1. KGHOF Order Minimums

- 1.1 Retail chains: \$7,000
- 1.2 Minimum Reorder: None
- 1.3 Boutiques, please contact us at kg@kghof.com for rates

2. Payment and Order Terms

- 2.1 Unless otherwise agreed to in writing, payment for the Goods shall be made at the time the order is placed, via check, credit card or wire transfer. There will be a \$35.00 charge for returned checks or EFT rejections for any reason.
- 2.2 We make no guarantees regarding availability of the Goods. As ready dates will depend on Buyer's order quantity and the Goods purchased.
- 2.3 Order variations must be agreed to in writing. The total price may be altered as a result of any variation, and Buyer agrees to pay any increase. The total price cannot be below the required minimums as a result of a variation.
- 2.4 All sales are final.
- 2.5 KGHOF may, at its discretion, refuse to accept or cancel any order or delivery of Goods at any time by giving written notice to Buyer. KGHOF shall not be liable for any loss or damage whatsoever arising from such cancellation. In the event of such a cancellation, a refund will be processed.

2.6 For information on exclusivity options and trunk shows, please contact us at kg@kghof.com. At this time, we do offer consignment or drop shipping.

3. Duties, Taxes and Fees

3.1 State sales tax, if applicable, will be added to your invoice unless an acceptable resale tax exemption certificate is provided. Where applicable, the payment of all customs duties and licenses will be Buyer's responsibility.

4. Sale of Goods and Manufacturer Suggested Retail Price ("MSRP")

4.1 The Goods must be sold at the MSRP as notified by KGHOF unless the Goods are advertised as being "on sale" or the equivalent.

4.2 Buyer acknowledges that Buyer is acquiring the Goods for the purposes of trade or business only.

4.3 Any resale of KGHOF Goods on public forums such as Amazon.com, Ebay.com, Zulily.com or similar discount stores are expressly prohibited. KGHOF shall have sole discretion to determine what public forums, if any, are eligible for Buyer resale.

5. Shipping

5.1 Unless otherwise agreed to in writing, KGHOF shall arrange delivery of the Goods to Buyer. Buyer will responsible for the costs associated with delivery prior to shipment of the Goods. Orders will be shipped via FedEx or UPS. While the delivery service utilized by KGHOF may include insurance for the Goods during transit, KGHOF makes no representations and gives no warranties with respect to such insurance and Buyer will be responsible for obtaining any specific insurance desired or required with respect to the Goods during transit. Risk with respect to the Goods shall pass to Buyer when the Goods are delivered to the carrier by KGHOF.

5.2 Free shipping promotions and/or discount coupons for retail customers do not apply to wholesale orders.

6. Notice of Defects. Exchanges. Returns

6.1 Notice. It is the responsibility of the Buyer to inspect the Goods upon receipt, and confirm that the Goods delivered match the items ordered/invoiced. The Buyer must make any claims of defects, including but not limited to those related to shortages, quality or specifications, within the first Five (5) days after receiving the Goods.

6.2 Exchanges. Under certain conditions, exchanges may be made for unsatisfactory merchandise that is unused and in original packaging with all tags attached. Whether or not items are eligible for exchange is at the sole discretion of KGHOF. All exchanges must be initiated within Five (5) days of receipt of Goods. If a part of the order is defective or deficient, the defective or deficient items only will be exchanged. No exchanges will be made after Five (5) days of receipt of Goods.

In the event of an exchange of merchandise, the Buyer is responsible for all shipping fees, both in shipping the Goods back to KGHOF as well as the shipping of the new Goods to the Buyer. Buyer authorizes KGHOF to sell any Goods that have been exchanged, rejected or abandoned.

6.3 Returns. Wholesale purchases made by Buyer cannot be returned. Under certain conditions if KGHOF agrees to a return, KGHOF reserves the right to charge a 20% restocking fee on the purchase price excluding shipping costs. Restocking fees will be charged via the method of payment on file at the time of the transaction. Buyer must notify KGHOF within Five (5) days of receipt of Goods to request a return.

6.4 Modification of Goods. If you modify the Goods, they are immediately ineligible for return or exchange. Once the Goods are printed, garment dyed, washed or altered in anyway, the Buyer cannot return or make a claim relating to such Goods. KGHOF is not responsible for fallout or loss during the garment dye process.

7. **Samples and Images**. Unless otherwise expressed in writing, KGHOF does not warrant that the quality, weight, designs or color of the Goods correspond to any specific description, image or sample.

8. **Intellectual Property**

8.1 Buyer shall only use the KG House of Fashion brand name and logo below when advertising the Goods supplied by KGHOF, including but not limited to, Buyer's websites, labels and invoices. For the avoidance of doubt, use of the term KG shall never appear as a standalone term and only as KG House of Fashion or KGHOF.



- 8.2 KGHOF grants you a personal, non-exclusive, non-transferable, and non-assignable license to use the KG House of Fashion brand name and logo in accordance with this Wholesale Agreement, and any and all such use shall inure exclusively to the benefit of KGHOF.
- 8.3 Buyer shall not use or permit the use of the KG House of Fashion brand name and/or logo in any manner that would be detrimental to or inconsistent with this Agreement and/or the good name, goodwill, reputation and image associated with KGHOF.
- 8.4 The license in clause 8.2 may be revoked at any time by KGHOF via written notice to Buyer.

9. Promotional Materials

- 9.1 To use KGHOF product photography, Buyer must be an approved KGHOF wholesaler. Once you are approved, you will gain access to KGHOF's dropbox. The dropbox contains product images, styled shots and other graphics. We encourage you to use these images on all social media outlets, marketing campaigns, etc. but please note, these materials can only be used to promote KGHOF's Goods.
- 9.2 All KGHOF product and styled images used on any website and/or retail locations shall be clearly labeled KG House of Fashion or the logo referenced in Section 8.1, and shall not be branded in any other manner. This includes photography and graphics used that come from a source other than the KGHOF dropbox.

10. Liability.

- 9.1 KGHOF shall not be liable:
- a. where Buyer has altered or modified the Goods, misapplied the Goods, not followed KGHOF's instructions with respect to the Goods or have subjected the Goods to unusual or non-recommended use or handling;

- b. for loss or damages caused wholly or partly by any factors beyond our control, including, without limitation, any loss resulting from a delay in production or supply of the Goods or an act of god; or
 - c. for any indirect or consequential loss of any kind.
- 11. **Exclusion of Implied Warranties.** KGHOF shall not be responsible, to the extent permitted by applicable laws, for a claim for any product liability or for any direct or indirect business interruption loss, consequential loss, loss of profit, or any other loss whatsoever. There are no implied warranties of merchantability and fitness that apply to the Goods sold by KGHOF. In any event, the maximum liability shall be equal to repayment by KGHOF to the Buyer of the payment made for the delayed or defective part of the order.
- 12. **Deterioration of Buyer's Credit.** KGHOF has the right, in addition to other remedies provided by law, to terminate any delivery or suspend further deliveries of other shipments in the event the Buyer fails to pay for any one shipment when the same becomes due. Should the Buyer's financial condition become unsatisfactory to KGHOF, KGHOF may require cash payments or satisfactory securities for delivery of the Goods.
- 13. **Termination.**
 - 12.1 KGHOF reserves the right to terminate this Wholesale Agreement immediately by giving written notice to Buyer if:
 - a. Buyer has failed to comply with a written notice given by KGHOF specifying a breach of the Wholesale Agreement and requiring Buyer to remedy the breach within Fourteen (14) days; or
 - b. upon the institution of Buyer's insolvency, receivership or bankruptcy proceedings; upon Buyer making an assignment for the benefit of its creditors, or upon Buyer's dissolution or ceasing to do business.
- 14. **Choice of Law.** This Wholesale Agreement shall exclusively be governed by, and construed in accordance with, the laws of the State of New York applicable to contracts made and to be performed in the State of New York, without regard to conflicts of law principles.
- 15. **Severability.** If any provision of these Terms and Conditions is found to be invalid or unenforceable, the other provisions will remain in full force and effect.
- 16. **Arbitration.** KGHOF and Buyer agree that upon the demand of either party, any claim or dispute between KGHOF and Buyer and/or any of either parties' parent or successor entities, present and/or former subsidiaries, divisions, and affiliated entities, as well as each of their present and/or former shareholders, directors, officers, employees, attorneys, agents, contractors and representatives ("Agents"), shall be determined by binding

arbitration in New York County, New York, and as otherwise set forth in this Wholesale Agreement. KGHOF and Buyer hereby covenant not to file a lawsuit against each other in contravention of this Wholesale Agreement. The parties shall be entitled to all of the same remedies as those available for comparable actions in courts. The parties shall be entitled to be represented by independent counsel of their choosing.

The parties shall each bear their own costs and attorney's fees in any arbitration proceeding, provided however, that the arbitrator shall have the authority to require either party to pay the costs and attorney's fees of the other party during the arbitration, as is permitted under federal or state law, as a part of any remedy that may be ordered.

- 17. Assignment.** Neither this Wholesale Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise), except that KGHOF may assign this Wholesale Agreement in the event of a merger, acquisition, change of control, sale or other transaction involving all or substantially all of KGHOF's assets.
- 18. Entire Agreement.** This Wholesale Agreement and its exhibits constitutes the final, complete, and exclusive statement of the agreement of the parties with respect to the subject matter hereof, and supersedes any and all other prior and contemporaneous agreements and understandings, both written and oral, between the parties.

For wholesale inquiries, please contact us at 855-9KG-SHOF or reach us via email at kg@kghof.com.

IN WITNESS WHEREOF, the parties have executed this Wholesale Agreement as of the date first above written.

KG'S HOUSE OF FASHION LLC

BUYER'S CORPORATE NAME

Name: _____

Name: _____

Title: _____

Title: _____

Signature: _____

Signature: _____

Date: _____

Date: _____