

## RULES AND REGULATIONS OF THE SHOWROOM PLATFORM

### 1. DEFINITIONS AND CONSTRUCTION

- 1.1. Capitalised terms used in these rules and regulations shall have the meaning ascribed to them in the Rules and Regulations of the SHOWROOM Site available at the following address: <https://www.shwrn.com/terms>. Moreover:
- 1.1.1. **"Designer's Assistant"** shall mean an individual who is a User and who has access to the Designer's Panel of the given Designer, authorised on the terms and conditions laid down in the Rules and Regulations of the Platform to carry on the activities covered by the Rules and Regulations of the Platform in the name of the Designer;
- 1.1.2. **"Designer's Price"** shall mean the net price for which the Designer sells the Product to the Administrator which is, in principle, equivalent to the Recommended Net Retail Price less Mark-up;
- 1.1.3. **"Settlement Day"** shall mean Wednesday and the last working day of the month or another day of the week or the month, of which the Administrator notified the Designer with at least one-week's notice period, when the Designer's Price is remitted in line with the Rules and Regulations of the Platform;
- 1.1.4. **"Settlement Invoice"** shall mean an invoice issued by the Administrator on the Settlement Day, on the terms of self-invoicing, in the name and on behalf of the Designer documenting the effected sale of each Product (and the corresponding Designer's Price) indicated on the Receivables List that had not been included in an earlier Settlement Invoice;
- 1.1.5. **"Courier Company"** shall mean an entity rendering courier services appointed by the Administrator to perform its obligations relating to the delivery of the Product envisaged in the Rules and Regulations of the Platform;
- 1.1.6. **"Receivables List"** shall mean a list where the Administrator enters the Products and the corresponding Designer's Prices that it is required to settle with the Designer on the terms provided in the Rules and Regulations of the Platform;
- 1.1.7. **"Grace Period"** shall mean the period beginning on the date when the Product is delivered to the Buyer and ends on the 14<sup>th</sup> calendar day following such day.
- 1.1.8. **"Designer's Panel"** shall mean an element of the Site dedicated to the individual Designer permitting the presentation of Products on the Site;
- 1.1.9. **"Supplementary Agreement"** shall mean the agreement concluded by and between the Administrator and the Designer wherein they modify the terms and conditions of cooperation arising out of the Rules and Regulations of the Platform;
- 1.1.10. **"Mark-up"** shall mean the amount equal to the percentage of the Recommended Net Retail Price the amount of which is determined in a manner specified in the Rules and Regulations of the Platform, where the amount of the current Mark-up is displayed in the Designer's Panel.
- 1.1.11. **"Recommended Gross Retail Price"** shall be the gross amount used as the basis for the computation of the Recommended Net Retail Price and the Designer's Price;
- 1.1.12. **"Recommended Net Retail Price"** shall mean the amount of the Recommended Gross Retail Price computed less the VAT due at the given time used as the basis for the computation of the Mark-up and the Designer's Price.
- 1.1.13. **"Rules and Regulations"** of the Platform shall mean these Rules and Regulations of the Platform;
- 1.1.14. **"Executive Agreement"** shall mean the sales agreement concluded between the Administrator and Designer as part of the performance of the Designer Service Agreement the detailed terms and conditions of which are stipulated in the Rules and Regulations of the Platform;
- 1.1.15. **"Designer Service Agreement"** shall be the agreement concluded between the Administrator and Designer wherein the Administrator agrees to carry on the Sale of Products selected by the Administrator and the Designer agrees to provide the Administrator with true and reliable information about such Products; the detailed terms and condition of execution and performance of the Designer Service Agreement are stipulated in the Rules and Regulations of the Platform;
- 1.1.16. **"Condition Subsequent"** shall mean the (i) exercising by the Buyer of the right to cancel the Order or (ii) exercising by the Buyer of the right to withdraw from the Sales Agreement concluded with the Administrator or (iii) refusal to remit the payment of the amount to be paid as part of a COD delivery option resulting in the return of the Product occurring prior to the entry into possession of the Product by the Buyer which is the subject matter of the Executive Agreement (and, at the same time, the Sales Agreement);
- 1.1.17. **"Condition Precedent"** shall mean a situation where the User (Buyer) who placed an Order referred to in Section 4.4.2, paid for it (i.e. paid in favour of the Administrator the price for the Product and the delivery fees) within 96 hours from the date of placement of the Order). In the event the User (Buyer) effects the payment via a third party (e.g. a financial institution), the condition shall be considered fulfilled also where the payment was made by such third party;
- 1.1.18. **"Exchange"** shall mean a situation where the Buyer exercises the function permitting the exchange of a Product for the same Product in a different size and/or colour version;

- 1.1.19. **"Return"** shall mean every situation where the Buyer withdraws from the Sales Agreement binding it with the Administrator (if only in an implied manner), irrespective of the legal grounds of such withdrawal and the manner it is exercised in by the Buyer.
- 1.2. Any time-limits in the Rules and Regulations of the Platform expressed in working hours shall be calculated in such a way that they begin to run as at the moment indicated in the Rules and Regulations of the Platform which ends upon the lapse of the number of hours indicated in the Rules and Regulations of the Platform, with the reservation that these time-limits shall not run in hours falling on Saturdays or non-working days within the meaning of the Non-working Days Act dated 18 January 1951 following they resume their run. In the event the commencement of the time-limit expressed in working hours were to fall on a Saturday or a non-working day within the meaning of the Non-working Days Act, the time-limit shall commence running at 0:00:00 hours on the following day other than Saturday or a non-working day within the meaning of the Non-working Days Act. The commencement and end of the time-limit are calculated to the second where the Administrator shall be entitled to change the calculation via a notification sent by e-mail, without the necessity to make an amendment to the meaning of the Non-working Days Act. For instance, the time-limit of 24 working hours commencing on Friday at 22:54:15 shall end on Monday at 22:54:15 (given the assumption that neither Friday nor Monday are non-working days within the meaning of the Non-working Days Act). In the event the end of the time-limit were to fall on 0:00:00 hours on a day that is a Saturday or a non-working days within the meaning of the Non-working Days Act and the preceding day is not such a non-working day, the time-limit ends at 24:00:00 hours on such preceding day (in view of the fact that 24:00:00 and 0:00:00 hours are one). For the avoidance of doubt it is agreed that the time displayed by the IT system of the Administrator shall be considered to be the only indicator of the commencement and the end of the time-limit expressed in working hours.
- 1.3. Any and all references to a Section without any more details given shall be construed as a reference to a Section of the Rules and Regulations of the Platform and all its subsections, unless its pursues otherwise from the wording of the Rules and Regulations of the Platform. Any and all references to Sections of the Rules and Regulations of the Site or other documents shall be construed as a reference to a Section of the given document and all its subsections.
- 1.4. For the purposes of construction of the provisions of the Rules and Regulations of the Platform, Sections 1.3–1.6 of the Rules and Regulations of the Site shall apply accordingly.

## **2. GENERAL INFORMATION**

- 2.1. The Administrator enables the Designers to access via the Site the Designer's Panel and to use it for the purposes of presenting Products pursuant to the Rules and Regulations of the Platform.
- 2.2. The Administrator shall be the Service Provider of the service referred to in Section 2.1.
- 2.3. To set up and use the Designer's Panel it is necessary to have access to the following facilities: an Internet connection, a web browser permitting loading and browsing websites on the screen of a computer or another electronic device as well as an e-mail account.
- 2.4. All rights to the Site and its individual elements shall be vested in the Administrator or third parties whose materials were lawfully made available by the Administrator as part of the service it renders. Users shall not infringe on any rights of the Administrator or third parties referred to in this Section 2.4.
- 2.5. It is prohibited to use the Site or any elements thereof in an unlawful manner, in a manner that contradicts good practices or such that infringes on the rights of third parties. It is also prohibited to copy, modify, multiply and disseminate the Site in any form nor any elements of its contents save for cases where such is permitted by law. Information on the possibility of obtaining a license for the use of specific materials made available via the Site can be obtained at the e-mail address: [contact@shwrm.com](mailto:contact@shwrm.com).
- 2.6. Links, materials and presentations containing references to third-party websites may also be published on the Site. Use of such websites (in particular of the products and services offered on such websites does not constitute an element of the service rendered by the Administrator and the rules and regulations of such use are specified by the relevant third parties. The Administrator shall not be liable for the terms and conditions and the consequences of use of such websites nor for their contents, unless otherwise stipulated in the mandatory provisions of law.
- 2.7. Article 66<sup>1</sup> § 1–3 of the Civil Code shall not apply to the relations between the Administrator and the Designer.
- 2.8. In the event of the launch of a Sales Channel permitting the sales of Products in a country other than the Republic of Poland, the Rules and Regulations of the Platform may be supplemented with an appendix setting down additional rules related to the presentation of Products in such Sales Channel, sales of the Products via such Sales Channel, and the terms and conditions of cooperation between the Administrator and the Designer in connection with sales conducted in such manner (in particular, as regards the settlement rules). The choice of such Sales Channel by the Designer shall be tantamount to the Designer's acceptance of the wording of the relevant appendix.

### **3. CONCLUSION OF A DESIGNER SERVICE AGREEMENT**

- 3.1. A user carrying on business or professional activities connected with the manufacturing and sales of Products may communicate to the Administrator the intention to conclude a Designer Service Agreement via applicable IT tools in the User Account (if available) or by contacting the Administrator via other means.
- 3.2. The Administrator may make the User, referred to in Section 3.1, an offer to conclude a Designer Service Agreement that specifies the amount of the Mark-up. The making of an offer by the Administrator may be preceded by negotiations..
- 3.3. The User shall be entitled to accept the Administrator's offer in a form indicated by the Administrator in the wording of the offer or in the course of negotiations. or otherwise it shall be null and void. In the event of absence of such indication of form, the acceptance of the offer shall be effected in writing or in an e-mail message sent to the address from which the User received the message with the offer, or otherwise it shall be null and void.
- 3.4. The acceptance of the offer of the Administrator by the User in compliance with Sections 3.1-3.3 hereinabove shall mean that the Administrator and User agreed on the final wording of the Designer Service Agreement. After reaching an agreement on the final wording of the Designer Service Agreement, the Administrator may, at its own discretion, provide the User with access to the Designer's Panel or withdraw from the conclusion of the Designer Service Agreement; for the avoidance of doubt, it is agreed that such withdrawal does not give rise to any claims on the part of the Designer;
- 3.5. The Designer Service Agreement shall be concluded upon the User's acceptance of the Rules and Regulations of the Platform displayed when the User logs into the Designer's Panel for the first time. In the event the User does not accept the Rules and Regulations of the Platform in said manner, he or she shall not be authorised to use the Designer's Panel, and the Administrator shall be authorised to disable access to the Designer's Panel set up for the given User. In the event despite failure to accept the Rules and Regulations of the Platform the User shall use the Designer's Panel for any reason whatsoever, the Designer Service Agreement shall be deemed concluded, where the Administrator shall be entitled to terminate it at any time.
- 3.6. The Parties shall be entitled to amend the wording of the Designer Service Agreement with respect to the wording envisaged in the Rules and Regulations of the Platform exclusively via the conclusion in writing (or otherwise it shall be null and void) of a Supplementary Agreement. The wording of the Supplementary Agreement shall prevail over the provisions of the Rules and Regulations of the Platform. This does not preclude the possibility for the Parties to supplement the Designer Service Agreement with arrangements stipulated in the Rules and Regulations of the Platform or the Supplementary Agreement in the form provided for in such documents (e.g. a supplement to the Designer Service Agreement by adding the amount of the Mark-up indicated in the wording of the offer).
- 3.7. Irrespective of the statements referred to in Section 4.2 and the obligations referred to in Section 4.3, when concluding the Designer Service Agreement, the User repeats the statements referred to in Sections 3.4 and 3.5 of the Rules and Regulations of the Site and assumes the obligations referred to in Section 3.5 of the Rules and Regulations of the Site (where the references made in those provisions to the Sales Agreement shall be construed as references to Executive Agreements, where any references to the Rules and Regulations of the Site for the purposes of the Designer Service Agreement shall be construed as references to the Rules and Regulations of the Site and the Rules and the Regulations of the Platform) and represents that he or she has read the Rules and the Regulations of the Platform and accepts all of the provision contained therein.

### **4. DESIGNER SERVICE AGREEMENT**

#### **4.1. Subject matter of the agreement**

Pursuant to the Designer Service Agreement:

- 4.1.1. The Administrator shall provide the Administrator via IT tools of the Designer's Panel of real and reliable information about the Products the sales of which will be carried on by the Administrator (in particular, information on the stock of Products, available colour versions and sizes, the Recommended Gross Retail Price and Product photographs) and shall conclude Executive Agreements on the terms stipulated in the Rules and Regulations of the Platform.
- 4.1.2. The Administrator shall carry on Sales of the Designer's Products selected by the Administrator on the terms stipulated in the Rules and Regulations of the Platform.
- 4.1.3. The Parties to the Designer Service Agreement (Administrator and Designer) shall properly perform all of the Executive Agreements binding them in compliance with the Rules and Regulations of the Platform and the binding law.

#### **4.2. General provisions of the Designer Service Agreement**

By concluding the Designer Service Agreement the User represents and warrants to the Administrator that:

- 4.2.1. The User carries on business or professional activities related to the manufacturing and sales or exclusively the sales of Products;

- 4.2.2. The User is vested with all rights in trademarks, logotypes and other marks, as well as the works used by the User as part of the use of the Site (including also those placed on the Products) and their use as part of the Site does not infringe on any third-party rights or good practices;
- 4.2.3. The Products sold by the User to the Administrator and the sales of such Products to the Administrator and then their sale by the Administrator via the Site do not infringe upon any third-party rights nor good practices, and, in particular, the sales of the Products to the Administrator nor the subsequent sale by the Administrator do not require the possession of any license or any other administrative decisions;
- 4.2.4. The Products sold by the User to the Administrator are of good quality, had not been used before (are new) and are free from physical and legal defects and that they meet all the standards applicable to such type of goods;
- 4.2.5. The User consents to being sent messages envisaged in the Rules and Regulations of the Platform to the e-mail address given by the User

and the User shall:

- 4.2.6. Ensure that all represent representations made upon the conclusion of the User Service Agreement and the Designer Service Agreement as well as all data and information provided by him or her to the Administrator are up to date and will be true and relevant throughout the entire term of the Designer Service Agreement;
- 4.2.7. Use the Site and all of its elements in such manner that will not create the impression that the Designer is in any way, other than the conclusion of the Designer Service Agreement, linked to the Administrator;
- 4.2.8. Refrain from publishing any content on the Site that is in violation of the provisions of law, the Rules and Regulations of the Platform or the Rules and Regulations of the Site, third-party rights or good practices nor advertising or promotional content referring to goods and services other than the Products presented by the Designer via the Site, where any advertising or promotional content pertaining to the Designer or its Products may be published exclusively with the use of the IT tools made available by the Administrator (for the avoidance of doubt, it is hereby agreed that the Administrator shall not be required to make such tools available);
- 4.2.9. Refrain from performing activities entailing encouraging Buyers who have learned about the existence of the Designer or Product originating from the Designer via the Site or who contacted the Designer in connection with the use of the Site to conclude agreements with respect to the Products other than the Sales Agreements concluded with the observance of the Rules and Regulations of the Site and the Rules and Regulations of the Platform;
- 4.2.10. Check the Designer's Panel on a regular basis and in a manner compliant with the requirements of professional due diligence, including checking whether an Order for the Designer's Products was placed, or whether it is not necessary or desired to undertake certain actions in connection with the conclusion and an Executive Agreement;
- 4.2.11. Inform the Administrator with the observance of at least a 48-hour notice period of any breaks in the operations of the Designer or any other occurrences (including their duration) that would prevent the User from the proper performance of Executive Agreements;
- 4.2.12. Refrain from taking any actions that could result in effecting sales in favour of other Users, in particular, such that would contain provisions that hinder the possibility of exercising the Administrator's rights resulting from the Designer Service Agreement or prohibit the Administrator from doing so;
- 4.2.13. Participate in good faith in the promotional activities organised by the Administrator (if any such activities are taken), and, in particular the Designer shall not take actions aimed at avoiding the participation of the Designer of the Products presented by him or her in such promotional actions organised on the Site
- 4.2.14. Obey and observe the provisions of the Rules and Regulations of the Site, the Rules and Regulations of Gift Cards and Discount Codes, as well as other rules and regulations and terms and conditions of use of services rendered by the Administrator, within the scope that the Designer, avails himself or herself of the service;
- 4.2.15. Refrain from placing inside the packages containing Products of promotional materials other than those pertaining to the Site or the Products available on the Site (including the Designer's Products); the Designer shall, in particular, refrain from placing inside the packages promotional materials pertaining to purchasing options other than the Site;
- 4.2.16. Ensure that the User shall place all additional elements inside the packages containing the Products (including, in particular, accounting documents, if required by the Administrator), indicated by the Administrator and all other documents available if required by law;
- 4.2.17. Refrain from undertaking any activities that could affect the wording of the Sales Agreements concluded by the Administrator and the Buyers, other than those envisaged in the Rules and Regulations of the Platform or such that the Administrator gave its consent to in writing or via electronic mail, or otherwise the consent will be null and void;
- 4.2.18. Process all personal data that were made available to the Designer in connection with the use of the Site in a manner compliant with the provisions of law; furthermore, the Designer shall process personal data collected in connection with the use of the Site with the observance of the same terms and conditions as those adopted by the Administrator in the privacy policy, if not stricter;

#### 4.3. **Presentation of Products on the Site**

- 4.3.1. The Administrator enables the Designer to present Products via the Sales Channels (“making a Sales Channel available”) with the use of IT tools of the Designer’s Panel These tools might operate in such a way that the presentation of the Product on the Site or a specific Sales Channel will depend on the consent of the Administrator (which the Administrator may give or deny at the Administrator’s discretion). The Administrator may also, at any time, implement a procedure that had been developed by the Administrator for the selection of Products to be presented on the Site (or the individual Sales Channels), where this may envisage, in particular, the possibility of the conditioning of the presentation of a Product on the Site or a given Sales Channel upon the assumption of additional obligations by the Designer as requested by the Administrator, as well as the Administrator shall be entitled to modify the requirements pertaining to the presentation of the Products envisage by the Rules and Regulations of the Platform. The implementation of such procedure does not necessitate an amendment of the Rules and Regulations of the Platform, where the Administrator shall be entitled to communicate the implementation of the procedure to the Designer in any given manner.
- 4.3.2. The Administrator shall be entitled, at any time, to deny access or suspend access of the Designer to any Sales Channel without giving reasons (“deactivation of a Sales Channel”). The deactivation of all Sales Channels of the Designer shall not automatically translate into the termination of the Designer Service Agreement.
- 4.3.3. The Sales Channels available to the Designer without the need for the Designer to take any special actions other than the conclusion of the Designer Service Agreement are the Sales Channels marked as available in the Designer’s Panel. The Administrator may, at its sole discretion, enable the Designer to present Products in other Sales Channels as well (making a Sales Channel available).
- 4.3.4. The Administrator shall be, at any time, entitled to remove any Product presented there by the Designer without the need to obtain the Designer’s consent to do so. The Administrator may also in any manner adjust and amend the descriptions of the Products as well as the photographs (“Administrator’s corrections”), as well as, to take into account the stock levels resulting from the Sales Agreements concluded by the Administrator via the Site. In the event a correction introduced by the Administrator would mean that any of the information pertaining to the Product and presented on the Site is untrue, misleading or incomplete, the Designer shall be required to communicate this fact to the Administrator; in such case the Administrator together with the Designer shall decide the extent to which the correction should be adjusted so that it reflects the reality. The Designer shall not make any changes to the Administrator’s corrections without the Administrator’s prior written consent; for the avoidance of doubt, this does not pertain to the changes of the stock levels that the Designer should set so that they reflect the actual stock levels at all times. Moreover, the Designer shall not use the descriptions of Products changed or adjusted by the Administrator beyond the Site without a prior written consent of the Administrator expressed in writing via electronic mail, or otherwise it shall be null and void.
- 4.3.5. The presentation of the Products by the Designer in a Sales Channel consists in the or the manner of their presentation violates the provisions of the Rules and Regulations of the Site and the Rules and Regulations of the Platform, the Designer shall, without delay, enter the following information on:
  - 4.3.5.1. The list of materials the Product is made of;
  - 4.3.5.2. Product category (from among the categories displayed in the Seller’s Panel for the given Sales Channel);
  - 4.3.5.3. Recommended Gross Retail Price inclusive of all taxes and other surcharges (including VAT), where in the event the Designer enters with the use of IT tools available on the Site next to the regular price a promotional price that is lower than the regular price, the price entered as the promotional price shall constitute the Recommended Gross Retail Price within the meaning of the Rules and Regulations of the Site and the Rules and Regulations of the Platform;
  - 4.3.5.4. Maximum dispatch date of the Product given in calendar days (not more than 14 calendar days);
  - 4.3.5.5. Size charts for the Product featuring the items required for the given Product category;
  - 4.3.5.6. Current stock levels of all sizes and colour variants of the Product;
  - 4.3.5.7. Sales Channels via which the Product will be available;
  - 4.3.5.8. Enter a photograph of each of the Products that is identical to the item to be sold (and in the event the Product is available in more than one colour variant – enter the photographs of each of the colour variants); and
  - 4.3.5.9. Any other information the provision of which shall be required by the Administrator (including pursuant to Section 4.3.1).
- 4.3.6. The presentation of the Products by the Designer in a manner as provided for in this Section 4 constitutes an offer of conclusion an Executive Agreement with respect to a given Product made to the Administrator on the terms stipulated in the Rules and Regulations of the Platform, even if the Designer failed to provide all of the information referred to in Section 4.3.5 or provided it in a manner non-compliant with the Rules and Regulations of the Platform and the IT system of the Administrator permitted their display to at least one User other than the Designer;
- 4.3.7. The Designer acknowledges that the information about the Product provided by him or her (including the photograph) referred to in Section 4.3.5 shall constitute the wording of representations as to the subject matter of the Sales

Agreement made by the Administrator to the User with whom the Administrator concludes a Sales Agreement and any inaccuracy of the information or any other inconsistency with the provisions of the Rules and Regulations of the Platform may result in the Administrator or third parties sustaining losses.

4.3.8. Furthermore, the Designer shall:

4.3.8.1. Ensure that the information provided by him or her referred to in Section 4.3.5 pertaining to each of the Products presented by the Designer (including his or her photographs) shall, at all times, be true and will represent all of the actual features of the Product in a reliable, lawful manner, compliant with the Rules and Regulations of the Site and Rules and Regulations of the Platform and good practices without violating the rights of third parties and without being misleading or making the impression that the Product has features that it does not in reality;

4.3.8.2. Present in the Sales Channels only Products meeting the requirements specified in the Rules and Regulations of the Platform and the Rules and Regulations of the Site, including, in particular, only Products from the industries referred to in Section 1.1.6 of the Rules and Regulations of the Site, where the Products from industries other than those expressly listed in said Section may be presented (or added to packages containing Products as gifts from the Designer) solely upon a prior consent of the Administrator in writing or via electronic mail or otherwise it shall be null and void;

4.3.8.3. Present Products and conclude Executive Agreements in compliance with the law, the provisions of the Rules and Regulations of the Site and Rules and Regulations of the Platform and good practices without violating third party rights; the Designer shall also undertake all actions necessary to enable the Administrator to comply with all obligations pursuant from a Sales Agreement (including the obligation to withdraw from the Sales Agreement) under the binding provisions of law with respect to both the Buyers and the Product itself, where lack of possibility of undertake the actions required by law with the use of IT tools made available via the Site does not release the Designer from this obligation.

4.3.9. The obligation referred to in Section 4.3.8.1 covers, in particular the obligation to ensure that the stock levels of the presented Product displayed on the Site, is identical to the actual stock levels of the Product available to the Designer.

4.3.10. In the event any Product or the manner of its presentation on the Site violates the provisions of the Rules and Regulations of the Site and Rules and Regulations of the Platform the Designer shall immediately:

4.3.10.1. Remove such Product from the Sales Channel or

4.3.10.2. Adjust the manner of its presentation to the requirements of the Rules and Regulations of the Site and Rules and Regulations of the Platform.

4.3.11. The Administrator shall be entitled (but shall not have the obligation) to promote the Designer and the Products presented by the Designer in any manner the Administrator sees fit. When making the decision as to the scope of the promotional activities undertaken by the Administrator (provided such activities are undertaken), the same may take into account, in particular, the quality of the Products offered by the Designer, the existing degree of performance of the Designer's obligations arising out of the Executive Agreements, the Rules and Regulations of the Site and the Rules and Regulations of the Platform, as well as the competitive edge of the Designer's offer (including the price ratio of Products presented on the Site and identical Products offered by the Designer elsewhere than on the Site).

#### 4.4. **Executive Agreement – General provisions**

4.4.1. Within the period when the Product is presented in a Sales Channel, the Designer shall be bound by the offer of concluding an Executive Agreement pertaining to the Product with the Administrator. The offer cannot be revoked in any way other than via ceasing the presentation of the Products in all Sales Channels; in such case the offer shall cease to bind the Designer upon the lapse of 96 hours from such ceasing of presentations. The provisions of Article 66<sup>1</sup> §1–3 of the Civil Code shall not apply to this offer.

4.4.2. The offer referred to in Section 4.4.1. shall be accepted and the Executive Agreement shall be concluded as at the moment when the User (Buyer) places an Order with the Administrator and the Designer receives a notification via the Designer's Panel that an Order was placed. The notification referred to in the preceding sentence constitutes a declaration of acceptance of the offer on the part of the Administrator.

4.4.3. Pursuant to the Executive Agreement the Designer sells the Product or Products to the Administrator covered thereby for the price equal to the Designer's Price and the Administrator, on terms stipulated in the Rules and Regulations of the Platform buys said Product and agrees to pay the Designer's Price in favour of the Designer. The sale of each individual Products covered by the Executive Agreement is thus effected and all the obligations related thereto are thus assumed on the Condition Subsequent and Condition Precedent. Failure to fulfil the Condition Subsequent or the fulfilment of the Condition Precedent as regards the individual Products shall result in the termination of the Executive Agreement in the part pertaining to such Products. However, in the event the User, when placing the Order, chooses the COD delivery option, the Condition Subsequent is not reserved.

4.4.4. Within 24 working hours from the time of conclusion of the Executive Agreement, the Designer is required to accept the Order i.e. change its status to "accepted" via the Designer's Panel. Furthermore, the Designer agrees to verify the statuses of Orders on a regular basis. In the event the Order status as visible to the Designer in the Designer's Panel is inconsistent with the actual Order status the Designer shall be required to notify the Administrator of the fact and provide the same with all information and assistance necessary to verify the status of the Order.

- 4.4.5. Variations from the wording of the Executive Agreement stipulated by the Rules and Regulations of the Platform that are not directly agreed in the Rules and Regulations of the Platform are possible exclusively in the event the Administrator makes a declaration of will in writing or by electronic mail or otherwise null and void containing the Administrator's consent for such variation.
- 4.4.6. The Designer may fulfil the obligation to release the Product or Product covered by the Executive Agreement (as the sales agreement) to the Administrator exclusively in the following manner:
  - 4.4.6.1. The Designer shall pack the Product or Products covered by the Executive Agreement and meeting the requirements of the Rules and Regulations of the Platform in a manner ensuring their safety during transport, with the use of the packaging delivered by the Administrator (provided that the Administrator delivered such packaging);
  - 4.4.6.2. The Designer placed inside the package containing the Product or Products covered by the Executive Agreement only such documents (including accounting documents) and promotional materials that were delivered to the Designer (if only in electronic form) by the Administrator; furthermore the Designer shall address the package containing the Product via sticking on it the address label generated with the use of IT tools of the Site; in the event any of the documents or other materials (including the address label) are delivered in electronic form (including via the Designer's Panel). The Designer is also required to print the materials in a manner allowing them to be read.
  - 4.4.6.3. The Designer shall determine with the help of the Designer's Panel the time and place of release of the package prepared in the abovesaid manner to the Courier Company, where the time must fall within the time set by the Designer as the time-limit for the delivery in the Designer's Panel (computer as from the time of conclusion of the Executive Agreement); or another carrier to which the Administrator consented in writing or via electronic mail or otherwise null and void (where in the latter case the Designer is required to enter in the Designer's Panel the date of dispatch of the packaging and the relevant tracking number; in the absence of any other arrangements made in writing or via electronic mail, or otherwise null and void between the Administrator and the Designer, the Administrator shall not be liable for any costs related to the selection of such other carrier by the Designer);

where the obligation is considered effected properly at the time when the Designer hands over the packaging meeting the requirements specified in Sections 4.4.6.1 and 4.4.6.2 to the Courier Company at a time and place indicated in Section 4.4.6.3 and in the event the Designer uses the services of a different carrier, referred to in Section 4.4.6.3 *in fine* – as at the time the given carrier delivers the packaging to the relevant Buyer.

- 4.4.7. For the purposes of the Designer's obligations under the Rules and Regulations of the Platform and the Sales Agreements, any representations of the Administrator made via the IT tools of the Site shall be deemed made at the time the Designer is able to learn of their existence via the Designer's Panel at the latest or at the time the e-mail message is received (whichever is sooner).
- 4.4.8. Irrespective of the rights of the Administrator or the buyer pursuing from the provisions of law (which entitlements are not subject to any restrictions) and irrespective of any other rights envisaged in the Rules and Regulations of the Platform with respect to the Administrator as the buyer pursuant to the Executive Agreement, the Administrator shall at all times be entitled with respect to the Designer and the Executive Agreement concluded with the Designer and the Products covered thereby the same rights as those vested in the Buyer who placed an Order with the Administrator resulting in the conclusion of an Executive Agreement with respect to, respectively the Administrator, the Sales Agreement conclude with the same and the Products covered thereby. The source of such rights is this Section 4.4.9 and these include, in particular, the right to withdraw from the Executive Agreement, pursue claims to reduce the price, repair the Product or exchange the Product for a new one, claims for damages, claims pursuing from statutory product warranty, guaranty or pursuing from other, similar legal grounds etc. save claims the occurrence of which is the result of at least gross negligence of the Administrator. In the event the Executive Agreement covers more than one Product, the Administrator may withdraw from the same also in the part pertaining to the individual Products. The only condition for the Administrator to exercise such rights (including, in particular, the right to pursue claims) is that the same rights are vested in the Buyer at the same time. If pursuant to this Section 4.4.8 the Administrator were entitled to the right to withdraw from the Agreement, it shall be exercised within the period specified in Section 4.6 (irrespective of the time-limit when the Buyer is entitled to exercise the right to withdraw from the agreement).
- 4.4.9. None of the rights of the Administrator stipulated in the Rules and Regulations of the Platform shall exclude or restrict the rights of the Administrator – even if identical in wording – pursuing or potentially pursuing from statutory regulations applicable to the Executive Agreement as the sales agreement; in particular none of such rights will restrict any rights of the Administrator as provided in the Civil Code pursuing from the provisions on statutory product warranty, recourse claims, liability for damages, etc.
- 4.4.10. The Designer may, with the use of applicable IT tools of the Site (provided such are available) generate Discount Codes. The Discount Code generated by the Designer shall entitle the person who receives the code to obtain a discount when concluding the Sales Agreement with the Administrator that covers at least one Product of the Designer who generated such a code. In the event such Discount Code is used, the Recommended Gross Retail Price of the Products of the Designer who generated the Discount Code, assumed for the purposes of the Sales Agreement (to which the Discount Code applies) concluded with the Buyer who used the Discount Code and the Executive Agreement to that Sales Agreement shall be reduced by the percentage resulting from the Discount Code.

- 4.4.11. The Discount Codes generated by the Designer may be envisaged for use with respect to all or some of the Products of the given Designer. The Designer shall generate Discount Codes for promotional purposes only; the Designer shall not claim any remuneration for generating a Discount Code.
- 4.4.12. The Administrator may at any time deprive the Designer of the possibility of generating Discount Codes without giving reasons or determine freely at its discretion restrictions in the possibility of generating Discount Codes (e.g. introduce a maximum value of a Discount Code).
- 4.4.13. In the event a package containing the Product was returned to the Designer as undelivered, it is the obligation of the Designer to pick the Product up from the Courier Company (at the address agreed with the Courier Company, i.e. the Designer's address or the address of the premises wherefrom the Courier Company carries on its operations) or another carrier selected in compliance with the Rules and Regulations of the Platform and to arrange the further course of action with the Administrator.
- 4.5. Executive Agreement – Payment of the Designer's Price**
- 4.5.1. As at the moment the Condition Subsequent referred to in Section 4.4.3 is fulfilled a receivable is created due to the Designer for the payment of the Designer's Price. In the event said condition was not reserved, the receivable is created as at the time of conclusion of the Executive Agreement.
- 4.5.2. The Mark-up may be different for each of the Sales Channels and even for each Product, and it may be subject to change on the terms and conditions stipulated in the Rules and Regulations of the Platform and the Supplementary Agreement (if concluded); upon conclusion of the Designer Service Agreement, the Mark-up shall amount to the rate indicated in the offer referred to in Section 3.2 (in the event the offer only contains one Mark-up rate, such shall apply to all Sales Channels used by the Designer and all Products) or in the Supplementary Agreement (the amount agreed in the Supplementary Agreement shall prevail).
- 4.5.3. The mechanism of settlements between the Administrator and the Designer related to the sale of Products shall be as follows:
- 4.5.3.1. As at the time the receivable for the payment of the Designer's Price for the Product is created, the IT system of the Administrator shall place the Product and the Designer's Price due therefor on the Receivables List; the Receivables List shall be maintained separately for each Sales Channel;
- 4.5.3.2. On each Settlement Day, the Administrator shall issue in the name and on behalf of the Designer on the terms of self-invoicing a Settlement Invoice covering Products featured on the Receivables List that had not previously been contained in a Settlement Invoice (even if corrected); a separate Settlement Invoice shall be issued for each Receivables List (for each Sales Channel separately);
- 4.5.3.3. The date when the receivable for the payment of the Designer's Price shall be due and payable was set at 28 calendar days from the time of issue of the Settlement Invoice; the date when the payment is due and payable is reserved in favour of the Administrator; it may fulfil the performance resulting from the Settlement Invoice also before this time-limit; in such case the payment shall be made each time with the reservation of the option of return;
- 4.5.3.4. The Administrator shall verify every day with respect to each of the Products covered by the Settlement Invoice (i) whether the Condition Subsequent was fulfilled an (ii) whether the Product was delivered to the Buyer and (iii) whether the Grace Period for the Product has ended; (iv) whether the Buyer made a Return;
- 4.5.3.5. In the event as a result of the verification referred to in Section 4.5.4.4 it turns out that on the day of the due date of the Settlement Invoice is due and payable ends, any of the Products covered by the Settlement Invoice was not yet delivered to the Buyer or the Grace Period had not ended for any of the Products, in such case the due date shall be extended by 14 days and the Administrator shall make the necessary correction to the Settlement Invoice in the name and on behalf of the Designer; in the event by the new due date the status has not changed, the provisions of this Section 4.5.3.5 shall continue to apply;
- 4.5.3.6. In the event of the verification referred to in Section 4.5.3.4 it turns out that on the given working day the Condition Subsequent was fulfilled with respect to each of the Products covered initially by the given Settlement Invoice or the Buyer made a Return or the Grace Period has ended, the Settlement Period shall be corrected accordingly by the Administrator in the name and on behalf of the Designer as regards the Product with respect to which the Condition Subsequent was fulfilled and it can be corrected with respect to Products which were Returned by the Buyer (in such case the Administrator exercises the right to withdraw from the Executive Agreement in the manner referred to in Section 4.6.4.4. making the correction shall constitute the exercise by the Administrator of the right to withdraw from the Executive Agreement;
- 4.5.3.7. On the day the corrections referred to in Section 4.5.3.6 are made, in the event the Grace Period ended with respect to each of the Products remaining on the Settlement Invoice after said corrections are made and the Buyer did not effect a Return or the 14-day time-limit (referred to in Section 4.6.3) for the exercise by the Administrator of the right to withdraw (in connection with such Return) from the Executive Agreement has elapsed ineffectively, the Administrator shall remit the amount of the Settlement Invoice (which constitutes the Designer's price for the Product with respect to which the Grace Period had ended and the Condition Subsequent had not been fulfilled and the Administrator had not withdrawn from the Executive Agreement where the 14-day period for the withdrawal



referred to in Section 4.6.3 had ended, increased by the relevant VAT, even if the due date has not yet come; the payment shall be remitted to the designer's bank account entered in the Designer's Panel;

- 4.5.3.8. As at the time of payment by the Administrator for the Product or the fulfilment of the Condition Subsequent with respect to the Product as well as at the time the Administrator withdraws from the Executive Agreement with regard to a given Product, said Product (and the corresponding Designer's Price) shall be removed from the Receivables List.
- 4.5.3.9. For the avoidance of doubt, it is agreed that the payment of the Designer's Price and failure of the Administrator to exercise the option of correcting the Settlement Invoice and as such exercise the right to withdraw from the Executive Agreement shall have no effect on any other rights that the Administrator may have (including, in particular, the right to withdraw from the Executive Agreement in a situation where the information about the Return reached the Administrator following the lapse of the Grace Period or following the payment of the Designer's Price.
- 4.5.4. The Designer agrees that the Administrator issue invoices and makes corrections on the terms stipulated in Section 4.5.3 (including with account for Section 4.6.4.4). The Designer is entitled to voice his or her reservations to each invoice issued by the Administrator within 3 calendar days from its issue date by electronic mail or otherwise null and void; in the event no such reservations are voiced within this period, the invoice shall be found approved as at the date of issue. In the event comments are communicated, the Designer and Administrator shall attempt to clarify any discrepancies. The Administrator shall be entitled to suspend the payment of all amounts covered by the invoice as to which the Designer voiced its reservations until the time they are clarified.
- 4.5.5. All amounts that are to be paid by the Administrator to the Designer shall be deemed paid as at the time the Administrator places a relevant bank transfer disposition.
- 4.5.6. The Administrator shall be entitled to set-off all receivables towards refunds or payment of any amounts due from the Designer (in particular, the claims for the refund of the Designer's Price in the event of withdrawal from the Executive Agreement, claims for the payment of liquidated damages envisaged in Section 4.11.4) against the receivables of the Designer including the receivables due for the payment of the Total Price and the Shipping Costs (in such case the receivable of the Administrator Designer's Price listed on Settlement Invoices without the need to make any additional actions (a statement on the set-off may be filed by the Administrator also via the Site or in an implied manner) to which the Designer consents. The set-offs referred to in this Section 4.5.6 may refer, in particular, to the claims for the refund of the amounts paid despite the fulfilment of the Condition Subsequent however the Administrator was not aware of the fact and did not correct the Settlement Invoice in compliance with the provisions of Section 4.5.3.
- 4.5.7. The Designer cannot set off his or her liabilities towards the Administrator unless such possibility pursues directly from the Rules and Regulations of the Platform or the Administrator consent to this in writing or via electronic mail, or otherwise null and void.
- 4.5.8. In the event the Administrator learns of a violation on the part of the Designer of the Rules and Regulations of the Platform or the Rules and Regulations of the Site including or of non-performance or improper performance of any of the obligations pursuing therefrom by the Designer (including in the event the Administrator learns that the Product is not consistent with the requirements stipulated in the Rules and Regulations of the Platform or is defective in any other way) in such case the Administrator shall be entitled to suspend the remittance of the Designer's Price or any part thereof in favour of the Designer until any doubts are resolved; the suspension shall be effected towards securing any potential claims of the Administrator against the Designer related to the violation of the Rules and Regulations of the Platform or the Rules and Regulations of the Site. When any and all doubts are resolved, the amount due to the Designer shall be remitted in line with this Section 4.5.
- 4.6. **Executive Agreement – Returns**
- 4.6.1. In the event the Designer received from the Buyer a package containing the Product that is being Returned or a statement on withdrawal from the Sales Agreement and the Buyer did not at the same time make a statement on the withdrawal from the Sales Agreement via the Site. The Designer shall be required to notify the Administrator of this fact via the Designer's Panel within 24 hours from the time such package is received.
- 4.6.2. In the event the situation referred to in Section 4.6.1 occurs, as well as where the Designer received from the Administrator by e-mail in writing or via the Designer's Panel a notification of a Return, the Designer shall communicate to the Administrator its position as to the legitimacy of the Return ("acknowledgement of the Return") within 72 working hours from the time of receipt of such a notification (and in the event he or she received the Product – from the time of receipt of the Product). The acknowledgement of the Return is not binding for the Administrator, however the Designer, if he or she questions the Administrator's ensuing right to withdraw from the executive Agreement (Section 4.4.8), may invoke the circumstances indicated in the acknowledgement of the Return.
- 4.6.3. The Administrator may exercise the right to withdraw from the Executive Agreement pursuant from the Rules and Regulations of the Platform (e.g. Section 4.4.8) or from the provisions of law, no later than within 14 days from the time of acknowledgement of the Return or the ineffective lapse of the period when the acknowledgment should be made; exercising the right to withdraw cannot in any way be effected following the lapse on one year from the time the Buyer places an Order resulting in the conclusion of the Executive Agreement and in the event the exercising of this right is connected with the exercise by the Buyer of rights pursuant from statutory product warranty – it cannot be effected upon the lapse of three years from the time such Order is placed.

- 4.6.4. The exercise by the Administrator of the right to withdraw from the Executive Agreement referred to in Section 4.6.3 shall be effected via:
- 4.6.4.1. Filing of a valid statement on exercising the right to withdraw by the Administrator; or
  - 4.6.4.2. Setting off the receivable for the refund of the Designer's Price paid by the Administrator against any other liability of such Designer towards the Administrator pursuant to the provisions of Section 4.5.6; or
  - 4.6.4.3. Requesting that the Designer pay the Designer's Price that had already been paid by the Administrator; or
  - 4.6.4.4. In a situation where the Designer's Price for the Product that was Returned had not yet been paid by the Administrator via a correction of the Settlement Invoice done by the Administrator; in such case the provisions of Section 4.5.3.5 should apply as if the Condition Subsequent had been fulfilled with respect to the Product Returned; for the avoidance of doubt, such correction (constituting the exercise of the right to withdraw from the Executive Agreement) may be effected also prior to the acknowledgement of the Return or the ineffective lapse of the period when the acknowledgement needs to be done; however, this shall have no effect on the option of questioning the ground for the exercise of the right to withdraw by the Designer; or
  - 4.6.4.5. Sending the Product subject to the Return to the designer's address.
- 4.6.5. Each of the actions referred to in Sections 4.6.4.1–4.6.4.4 may be effected by the Administrator in writing or via electronic mail or via the applicable IT tools of the Site – in particular via the Designer's Panel (in the latter case the time-limit is found to have been met in the event the result of the action is visible in the Designer's Panel prior to the end of said time-limit). In the event of withdrawal done in a manner specified in Section 4.6.4.5 the time-limit for the exercise of the right to withdraw from the Executive Agreement shall be deemed met as at the time the package containing the Product was dispatched.
- 4.6.6. In the event there was no withdrawal from the Executive Agreement and the Designer is in possession of the Product, it shall handle the Product or Products covered by the Executive Agreement as instructed by the Administrator. The Designer shall in no way be entitled to any remuneration for storing such Products.
- 4.6.7. For the avoidance of doubt it is agreed that any damage caused or even destruction of the Product to be Returned does not constitute, in compliance with applicable provisions, an independent condition for the assumption that the right to withdraw from the Sales Agreement without giving reason was not exercised effectively, and, in turn this applies accordingly to the Executive Agreement. In the event of such damage or destruction of the Product Returned the Designer and the Administrator shall undertake negotiations in good faith the result of which ought to be a determination who, to what extent and on what terms will pursue claims from the Buyer. In no event, however, in the case this is not in contradiction to the mandatory provisions of law, the liability of the Administrator for such destruction or damage cannot be in excess of the Designer's Price.
- 4.7. Executive Agreement – Exchanges**
- 4.7.1. In the event the Site envisages the option of Product Exchange, the exercising of this option by the Buyer is tantamount to effecting a Return with respect of a given Product ("**Exchanged Product**") and the simultaneous placement of an Order for the same Product in a different size of colour version ("**Replacement Product**").
- 4.7.2. In the event the Designer does not have the relevant size or colour version corresponding to the Replacement Product, in case of absence of other arrangements made in writing or via e-mail or otherwise null and void, within the time-limit for processing the Return (computed from the time the Buyer effects the Exchange) the Designer ought to via applicable IT tools in the Designer's Panel reject the Exchange; in such case, in case of absence of other arrangements made in writing or via e-mail or otherwise null and void the Exchange must be treated as a Return.
- 4.7.3. In the event the Designer fails to reject the Exchange within the time-limit referred to in Section 4.7.2 or expressly accepts the Exchange (which is tantamount to the expiry of the right to reject the Exchange) it shall be found that the Administrator withdrew from the Executive Agreement to the extent it covers the Exchanged Product without the need to undertake any additional actions by the Administrator.
- 4.7.4. The Designer shall be entitled to reject the Exchange only in the occurrence of the situation referred to in Section 4.7.2 (where this does not change the fact that the fact that the Designer does not have the relevant size and/or colour version of the Replacement Product constitutes a violation of the obligations under the Executive Agreement) and in a situation where the Buyer effects the Exchange following the lapse of the period when the Return is permitted.
- 4.8. Executive Agreement – Product defects**
- 4.8.1. In the event the Product is defective or any other of its features may serve as the grounds for claims, for the avoidance of doubt it is agreed that the Administrator shall be entitled to choose which claims against the Designer it wishes to pursue; these could be, in particular, claims pursuant from Section 4.4.8), claims for damages on general terms, as well as claims under statutory product warranty on general terms. The selection by the Administrator of one of these claims shall not in any way, in itself, preclude the option to pursue other claims (where this does not mean that in the event one and the same loss is remedied via the satisfaction of one claim, it remains unremedied for the purpose of another claim).

4.8.2. In the event the Administrator exercises the rights pursuant from Section 4.4.8 in connection with the exercise by the Buyer of the rights pursuant from statutory product warranty other than the right to withdraw, in such case the provisions of Section 4.6 shall apply accordingly, with the reservation that the maximum time-limit referred to in Section 4.6.3 (which in reference to Returns not related to statutory product warranty amounts to one year) shall be three years.

#### 4.9. **Designer's Materials**

4.9.1. The Designer shall grant the Administrator a free of charge, non-exclusive, unlimited as regards time and territory licence to use the works made available by the Designer in the Sales Channels or provided by the Designer to the Administrator (for the purposes of publishing them on the Site or in the Administrator's Promotional Materials) works (in particular Product photographs and descriptions) for the purposes of promoting such Products or the Site on the Internet and in other media (in particular in the press, on the radio and television), including by publishing them in applications and widgets of the Administrator or third parties (including, in particular, mobile applications and television widgets) or in connection with trade events and other types of shows (public and internal) connected with the presentation of the Administrator's work.

4.9.2. The Designer shall grant the Administrator a free-of-charge, non-exclusive, unlimited as regards time and territory licence for the use of the layout of the sites featuring the presentation of the Designer's Products on the Site, on Facebook, in applications and widgets of the Administrator or third parties (including, in particular, mobile applications and television widgets) or in connection with trade events and other types of shows (public and internal) connected with the presentation of the Administrator's work.

4.9.3. The Designer shall grant the Administrator a free of charge, non-exclusive, unlimited as regards time and territory licence to use all intellectual property rights, including trademarks and business marks within the scope and for the purposes indicated in Sections 4.9.1-4.9.2,

4.9.4. The licences indicated in Sections 4.9.1-4.9.3 hereinabove, shall include fields of use such as:

4.9.4.1. Recording and multiplication of the work - production of copies of the work or the subject matter of the intellectual property rights, including with the use of print, reprographics, magnetic recording and digitally;

4.9.4.2. Market, lease or rent copies of the work or the subject matter of the intellectual property rights;

4.9.4.3. Public performance, display, screening, reproduction or broadcasting and re-emission, as well as, making of the work or the subject matter of the intellectual property rights available in a manner enabling anyone to access it at a place and time chosen by the person, in particular, on the Internet and in the traditional media.

4.9.5. The Designer shall also grant the Administrator permission to produce derivative works of the work that is the subject matter of the license or any element thereof, as well as, the Designer shall grant permission to dispose of and use such derivative work by the Administrator within the scope of the licence granted.

4.9.6. The licences referred to in Sections 4.9.1-4.9.3. are granted to the Administrator for an unspecified time from the moment the subject matter of the license is published on the Site. These licenses cannot be revoked unless this would stand in contradiction with the mandatory provisions of law provided the Designer Service Agreement was not terminated by notice.

4.9.7. The Administrator shall be entitled to grant sub licences with respect to the licences granted in line with this Section 4.9.

4.9.8. The Designer shall ensure that no entity shall exercise the author's moral rights subsisting in the subject matter of the licenses referred to in Sections 4.9.1-4.9.3 towards the Administrator or the entities to whom the latter granted a sub license. This obligation cannot be revoked before the lapse of 10 years from the time the subject matter of the licence is published on the Site, nor can it expire earlier than the expiration date of the relevant license unless this would stand in contradiction with the mandatory provisions of law.

4.9.9. The Designer represents that he or she is vested with all rights required to grant the license on the terms and conditions referred to in Section 4.9 and shall ensure that the rights continue to be vested in the Designer throughout the entire term of the Designer Service Agreement.

4.9.10. By publishing any material on the Site, irrespective of any other representations and obligations envisaged in the Rules and Regulations of the Platform, the Designer shall ensure that no claims for violation of any rights to such materials shall be pursued against the Administrator and that there shall exist no grounds for any third parties to pursue such claims against the Administrator. In the event the Administrator sustains any loss in connection with such type of claims (including, in particular, the obligation to pay any amount in favour of any entity or any costs incurred for the purposes of defending itself against such claims), the Designer shall remedy such loss up to their full amount.

4.9.11. In the event it turns out that contrary to representations and obligations of the Designer arising out of the Rules and Regulations of the Platform the Designer was not entitled or ceased to be entitled to publish any of the materials on the Site or to grant a licence to such materials, the Designer shall be required to communicate this fact to the Administrator without delay. However, such notification shall not release the Designer from liability envisaged in the Rules and Regulations of the Platform, and, in particular, the liability referred to in Section 4.9.10.

#### 4.10. **Confidentiality**

- 4.10.1. The Designer shall keep strictly secret all terms and conditions of the Designer's cooperation with the Administrator (in particular financial terms and conditions), the amount of the Commission, the content of talks and negotiations leading up to the conclusion of the Designer Service Agreement, the wording of the offer referred to in Sections 3.2 and 3.3 ("**Confidentiality Obligation**").
- 4.10.2. The Confidentiality Obligation encompasses both the prohibition to make information (in any form) covered thereby ("**Confidential Information**") available, as well as the obligation to secure the information properly against unauthorised access irrespective of the form in which it was recorded in.
- 4.10.3. The Confidentiality Obligation shall not be considered violated in the event:
- 4.10.3.1. The Designer discloses Confidential Information to members of its governing bodies or authorised employees, on the condition that such persons assumed the obligation to keep the information received in strict secrecy on the same terms and conditions as such specified in this agreement;
- 4.10.3.2. The Designer discloses Confidential Information, within the scope that is necessary to conclude and perform this agreement, his legal counsels or certified auditors, required under the provisions of law to keep the information provided to them in secrecy;
- 4.10.3.3. The Designer discloses the Confidential Information under the obligation to do so under mandatory provisions of law, and in the event the necessity of such disclosure pursues from a court ruling, an administrative decision or another act passed by the public administration bodies, the Designer has exhausted all means of appeal available to the Designer aimed at countering the disclosure of the information, where, in the event there arises the necessity to disclose Confidential Information pursuant to this Section 4.10.3.3, the Designer shall notify the Administrator of such necessity no later than within 3 days from the date the former learns of such necessity (otherwise, the disclosure of Confidential Information shall be deemed to constitute a breach of the Confidentiality Obligation);
- 4.10.3.4. The Administrator gave its prior consent in writing or via electronic mail, or otherwise it shall be null and void, to the disclosure of the Confidential Information listed in the statement issued by the Administrator.
- 4.10.4. The Designer shall be liable for the actions and omissions of persons to whom the Designer disclosed the Confidential Information or persons working for or collaborating with the Designer, or persons who obtained the Confidential Information directly from the Administrator, its employees and collaborators as for his or her own actions and omissions.
- 4.10.5. The provisions of this Section 4.10 shall enter into force as at the time of conclusion of the Designer Service Agreement and shall be valid until the day following the lapse of 2 years from the date of its termination, termination by notice or expiry for other reasons.
- 4.11. **Non-performance or improper performance of the Designer Service Agreement**
- 4.11.1. The provisions of this Section 4.11 shall not prejudice other (identical if may be) rights of the Administrator envisaged in the Rules and Regulations of the Platform.
- 4.11.2. Actions and omissions of the Designer such as:
- 4.11.2.1. Failure to meet the time-limit set out in the Executive Agreement for dispatch at least three times in a given calendar month;
- 4.11.2.2. The occurrence of at least three times in a calendar month of the situation where the Designer failed to accept the Order within 24 working hours from the time of Order placement or refused to perform the obligation of releasing the Product pursuant from the Executive Agreement;
- 4.11.2.3. Sudden concealing and cancellation of a considerable number of products without communicating this fact to the Administrator with a 72-hour notice period at the latest;
- 4.11.2.4. Failure to respect a Return within 24 working hours from the time of receipt of the Product that is Returned or proof of dispatch of the Product by the Buyer;
- 4.11.2.5. Failure to put inside the package containing the Product of any of the documents indicated by the Administrator, in particular the accounting documents;
- 4.11.2.6. Enclosure of promotional materials other than the materials about the Site or the Designer's Products available therein to the package containing the Product;
- 4.11.2.7. Use of packaging other than the packaging provided by the Administrator (provided that packaging in an appropriate size were provided by the Administrator) to pack the package containing the Product;
- 4.11.2.8. Violation of any of the provisions of Section 4.9 or any other confidentiality obligation;
- constitute gross violations of the Designer Service Agreement, where the above list is only of exemplary nature.
- 4.11.3. In the event the Administrator discovers that a gross violation of the Designer Service Agreement, in particular one of the violations listed in Section 4.11.2 has occurred, the Administrator shall be entitled to:

- 4.11.3.1. Limit or stop some or all promotional activities carried out by the Administrator with respect to the Designer or with the use of the photographs of the Designer's Products; even if the obligation to carry out such activities pursued from the Supplementary Agreement;
- 4.11.3.2. Change, at the Administrator's own discretion, the amount of the Mark-up, irrespective of whether such change is permissible in line with the other provisions of the Rules and Regulations of the Platform; however, in the event the amount of the Mark-up was set out in the Supplementary Agreement, each change of the Mark-up arising out of this Section 4.11.3.2 cannot last longer than 3 months;
- 4.11.3.3. Disable selected or all Sales Channels, even if the obligation to make a given Sales Channel available pursued from the Supplementary Agreement;

where this Section 4.11.3. shall in no way restrict the rights of the Administrator vested in the same under other provisions of the Rules and Regulations of the Platform, even though their wording would be identical or similar to the rights listed above.

- 4.11.4. If the Designer failed to accept an Order within the time-limit envisaged in these Rules and Regulations of the Platform or failed to perform the Executive Agreement (including for reasons of lack of availability of the Product) or, for reasons attributable to the Designer the Executive Agreement was terminated or withdrawn from, or the Designer rejected an Exchange for the reason of not having the colour version and/or size corresponding to the Replacement Product indicated by the Buyer, the Designer shall be required to pay in favour of the Administrator liquidated damages in the amount equal to the amount of the Mark-up that the Administrator would have received in the event the Sales Agreement to which the Executive Agreement pertained would have been performed. The receivables from the liquidated damage referred to in this Section 4.11.4 become due and payable upon sending to the Designer a statement by the Administrator notifying the former of the computation of such liquidated damages and it can be settled on the terms and conditions laid down in Section 4.5.6.

#### 4.12. **Liability**

- 4.12.1. The Site shall be made available to the Designer as is. The conclusion of the Designer Service Agreement is tantamount to the Designer making a statement that he or she has become acquainted with the manner of operation of the Site and accepts the Site as is. The foregoing does not preclude the right of the Administrator to implement new technological solutions, in particular, such that are aimed at improving the operation of the Site.
- 4.12.2. The Administrator shall ensure the operation of the Site at an availability level of 97%, which means that it shall operate throughout 97% of a calendar year (and such operation shall constitute proper performance of the Administrator's obligations under the Designer Service Agreement). For the purposes of determining the attainment of the availability level referred to in the preceding sentence:
  - 4.12.2.1. Scheduled technical breaks that the Designer was notified of with at least one-day's notice period, lasting no longer than 12 hours within a month;
  - 4.12.2.2. Technical breaks that do not result from reasons attributable to the Administrator, including, in particular, failure of the server, connections or other infrastructure not managed by the Administrator.

shall be deemed as time where the Site is operating properly. The Administrator shall not ensure the availability level of Sales Channels other than the Site.

- 4.12.3. To the extent it is admissible by mandatory provisions of law, the liability of the Administrator for Benefits lost by the Designer shall be excluded.
- 4.12.4. To the extent it is admissible by mandatory provisions of law, the liability of the Administrator for actual loss sustained to the Designer shall be excluded as follows:
  - 4.12.4.1. The Administrator shall be liable exclusively in the event intentional fault or gross negligence are found to have occurred;
  - 4.12.4.2. The total liability of the Designer in a given month within the term of the Designer Service Agreement shall not exceed the amount of the Mark-up obtained by the Administrator for the sale of Products of said Designer for the preceding month or the amount of PLN 1,000 in the event the total amount of the Mark-up for the preceding month cannot be established).
- 4.12.5. The Designer shall assume full liability towards the Administrator for losses arising out of or connected with the Designer's non-performance or improper performance of the Executive Agreements (including, in particular resulting in the non-performance or improper performance of the Sales Agreements by the Administrator) as well as a violation by the Designer of the provisions of law, the Rules and Regulations of the Site and the Rules and Regulations of the Platform, good practices or third-party right, in particular, losses connected with the untruthfulness, inaccuracy or incompleteness of any representations and warranties of the Designer. In the event in connection with the circumstances referred to in the preceding sentence the Administrator shall be required to remit any amounts in favour of any third party (including the Buyer), or any penalty is imposed on the same, the Designer shall be required to reimburse the Administrator for the relevant amount, which does not preclude the Administrator's right to claim compensation as regards the remainder scope.

- 4.12.6. In view of the fact that the Designer concludes a Designer Service Agreement as part of business or professional activities conducted by him or her, any disputes arising between the Designer and the Administrator out of or in connection with said Agreement shall be resolved before a court of competent venue for the Śródmieście district of the capital city of Warsaw.

## **5. DESIGNER'S ASSISTANT**

- 5.1. The Administrator may make available to the Designer, via the Designer's Panel, the option of designating a Designer's Assistant.
- 5.2. In the event the Designer designates a Designer's Assistant, the Designer represents that the person designated by him or her has granted the same a power of attorney to perform in the person's name all actions envisaged in Section 5 and consented to having his or her personal data provided to the Administrator.
- 5.3. By designating the Designer's Assistant, the Designer concludes in the name and on behalf of the Designer's Assistant, acting as his or her attorney, the User Service Agreement.
- 5.4. Upon conclusion of the User Service Agreement with the Designer's Assistant, the Administrator shall make available to the Designer's Assistant access data to the Designer's Panel available to the Designer that had designated the Designer's Assistant.
- 5.5. Upon logging in to the Designer's Panel for the first time, the Designer's Assistant is given the option to accept the Rules and Regulations of the Platform; if the Designer's Assistant fails to do so, he or she ceases to be the Designer's Assistant and shall not be entitled to use the Designer's Panel and the Administrator shall be entitled to prohibit access to the Designer's Panel made available to said Assistant. In the event despite failure to accept the Rules and Regulations of the Platform the User shall use the Designer's Panel for any reason whatsoever, the agreement referred to in Section 5.7 shall be deemed concluded where the Administrator shall be entitled to terminate it at any time.
- 5.6. By using the Designer's Panel, the Designer's Assistant acts only as the Designer's attorney. The Designer represents that he or she grants the Designer's Assistant a power of attorney to take all actions checked in the Designer's Panel (and if there exists an option to select actions is not available - all actions that the Designer is entitled to take under the Designer Service Agreement and the Executive Agreement). Said power of attorney may be revoked or restricted exclusively with the use of applicable tools available in the Designer's Panel, unless the Administrator consents in writing or via electronic mail or otherwise null and void to have said power of attorney revoked in another manner.
- 5.7. Upon acceptance of the Rules and Regulations of the Platform by the Designer's Assistant, he or she concludes an agreement with the Administrator to which the provisions of the Rules and Regulations of the Platform pertaining to the Designer Service Agreement shall apply, in particular, as regards the circumstances where the Designer's Assistant acts as the Designer's attorney. Said agreement always expires upon the expiry of the Designer Service Agreement concluded with the Designer who designated the Designer's Assistant.
- 5.8. The Designer's Assistant shall perform all actions which he or she is authorised to perform pursuant to Section 5.6, in line with the Rules and Regulations of the Platform.
- 5.9. The Designer shall be liable for the actions and omissions of the Designer's Assistant as for his or her own actions and omissions. The Designer's liability and the liability of the Designer's Assistant designated by the Designer for loss caused to the Administrator shall be joint and several.
- 5.10. For the avoidance of doubt, the provisions of this Section 5 pertaining to the Designer constitute part of the Designer Service Agreement.

## **6. TERMINATION OF THE DESIGNER SERVICE AGREEMENT**

- 6.1. The Designer Service Agreement can be terminated by either party without giving reason with the observance of a 30-day notice period.
- 6.2. In the event of the Designer's violation of the provisions of law, the Rules and Regulations of the Site and the Rules and Regulations of the Platform, third-party rights or good practices, or in the event it turns out that any of the representations made by the Designer was untrue, inaccurate or was misleading, as well as in the event the Designer terminates the power of attorney granted to the Administrator, the Administrator shall be entitled to terminate the Designer Service Agreement with immediate effect.
- 6.3. In the event of the Administrator's violation of the Rules and Regulations of the Site and the Rules and Regulations of the Platform, third-party rights or good practices, the Designer shall be entitled to terminate the User Service Agreement with immediate effect.
- 6.4. The Designer Service Agreement shall be subject to automatic termination also in the event of termination, expiry or ending of the User Service Agreement concluded by the Designer in any other way.
- 6.5. Upon termination, expiry or ending of the Designer Service Agreement in any other way also the agreements referred to in Section 5.7 entered by and between the Administrator and the Designer's Assistants designated by the Designer

with respect to whom the Designer Service Agreement has ceased to be valid shall also be subject to automatic termination.

- 6.6. The termination of the Designer Service Agreement shall have no effect on the Executive Agreements concluded and the obligations pursuing therefrom. For the purposes of the remittance of the Designer's Price, the last day when the Designer Service Agreement shall bind on the parties, shall be deemed to be the last Settlement Day in a given month.
- 6.7. A statement on the termination by notice of the Designer Service Agreement or its termination ought to be sent to the other party in writing or via electronic mail to the following contact details, or otherwise it shall be null and void:
  - 6.7.1. For the Administrator – to the e-mail address [contact@shwrm.com](mailto:contact@shwrm.com) or in writing to the Administrator's address indicated in the Rules and Regulations of the Site;
  - 6.7.2. For the Designer – to the e-mail address given by the Designer upon conclusion of the User Service Agreement or in writing to the address given upon logging in to the Designer's Panel for the first time.

## 7. COMPLAINTS PROCEDURE

- 7.1. Any complaints pertaining to the operation of the Site ought to be communicated to the following e-mail address: [contact@shwrm.com](mailto:contact@shwrm.com) or in writing to the Administrator's address and the notification ought to contain the following information: particulars of the entity filing the complaint – first and last name, the subject matter of the complaint, address, e-mail address, registration data along with a description of the reservations as regards the Site.
- 7.2. Complaints shall be handled within 10 days from the date the complaint (containing the information listed in Section 7.1) is received. In the event a complaint cannot be handled within this time-limit, the Administrator shall communicate this fact to the Designer setting a new time-limit, not in excess of 30 calendar days. A reply to a complaint (in writing or via e-mail) shall be sent to the address or e-mail address of the person filing the complaint indicated in the complaint.
- 7.3. Any questions and comments pertaining to the operation of the Site ought to be communicated to the Administrator to the following e-mail address: [contact@shwrm.com](mailto:contact@shwrm.com).

## 8. ENTRUSTING THE PROCESSING OF PERSONAL DATA

- 8.1. The Administrator entrusts the Designer with the processing of the personal data of the Buyers consisting of their first and last name, phone number and the physical addresses provided by them (delivery address, correspondence address, permanent registration address, etc.) ("**Personal Data**") on the terms stipulated in this Section 8 for the purpose of performance of the Executive Agreements and the Sales Agreements.
- 8.2. The Designer receives the personal data of the Buyer as at the time of conclusion of the Executive Agreement. Upon fulfilment of the Condition Subsequent it shall perform operations on Personal Data consisting in the generation and printing the documents directly from the Designer's Panel necessary to dispatch the Product (including, in particular, the address labels). Once these activities are performed, the Designer is required to stop processing the Personal Data of the Buyer and any subsequent processing – not related to the Executive Agreement – may only occur in a situation where there occurs the necessity to process the claims of a given Buyer and may only be of auxiliary nature with respect to such claims. The Designer shall in no event be entitled to export the Personal Data from the Designer's Panel nor to create a separate set with the use thereof.
- 8.3. The Designer warrants that persons authorised thereby to process Personal Data including, in particular, the Designer's Assistant (if appointed) be bound by the confidentiality obligation as well as that the Designer and such persons apply due diligence in safeguarding the access data to the Designer's Panel.
- 8.4. The Designer shall apply measures required under Article 32 of the Regulation of the European Parliament and of the Council (EU) 2016/679 dated 27 April 2016 ("**GDPR**").
- 8.5. The Designer may only process Personal Data with the use of another processor exclusively with the prior written consent of the Administrator and provided that the requirements stipulated in the GDPR (including Article 28(2) and Article 28(4) are met.
- 8.6. In the event of breach of protection of Personal Data processed by the Designer, the Designer shall be required to communicate this fact to the Administrator promptly however, no later than within 24 hours from the time the breach was discovered.
- 8.7. The Designer, to the extent in which the inquires of data subject to which Personal Data pertain refer to the processing performed by the Designer, shall assist the Administrator in enabling such persons to exercise their right pursuing from the GDPR.
- 8.8. At the administrator's every request, the Designer shall make available all the information required for the demonstration that the obligations pursuing from the Agreement and the provisions of law are being fulfilled. Furthermore, the Designer shall enable the Administrator to carry out audits and inspections in connection with the processing of the Personal Data by the Designer.
- 8.9. As regards matters connected with the processing of Personal Data the Designer ought to in the first place contact the Administrator's Data Protection Officer.
- 8.10. The Designer is required to process Personal Data in compliance with the provisions of law, including the GDPR and in compliance with the terms and conditions of personal data processing adopted by the Administrator (in particular with its privacy policy available on the website [www.showroom.pl](http://www.showroom.pl)).

- 8.11. Any violation of the terms and conditions of protection of Personal Data, including processing that is unlawful, in contradiction to the provisions of this Section 8 or in contradiction with the terms and conditions of processing personal data adopted by the Administrator shall be deemed to constitute a gross violation of the Designer Service Agreement referred to in Section 4.10.2.

## **9. AMENDMENTS**

- 9.1. The Administrator shall be entitled to amend the Rules and Regulations of the Platform on the same terms and conditions as those envisaged for the amendments of the Rules and Regulations of the Site.
- 9.2. Moreover, the Administrator shall be entitled to amend the Rules and Regulations of the Platform by publishing the amendments to the wording and the date of their entry into force on the Site.
- 9.3. The supplementation of the functionalities of the Site which carries with it the need to supplement the Rules and Regulations of the Platform with new wording or a new appendix shall take place also upon the Designer's first attempt to use the new functionality. In such case, the use of the new functionality may be conditioned by the Administrator upon the acceptance of such type of amendments (in the event the amendments are not effected with the observance of the provisions laid down in Sections 9.1. or 9.2); it shall also depend on the Administrator's decision whether the refusal to accept the amendment consisting in a new functionality shall produce the same effect as the refusal to accept the amendment of the Rules and Regulations of the Platform effected under Section 9.1 hereinabove.
- 9.4. In the event it was not expressly agreed otherwise in the Supplementary Agreement, the Administrator shall be entitled to unilaterally change the amount of the Mark-up due from a given Designer. The change of the amount of the Mark-up shall in such case apply to all Sales Agreements concluded by said Designer following the introduction of the new Mark-up to the Designer's Panel. The Administrator shall notify the Designer of the change of the amount of the Commission by electronic mail or in writing.
- 9.5. To the Executive Agreements concluded prior to the entry into force of the new wording of the Rules and Regulations of the Site or the Rules and Regulations of the Platform shall apply the provisions thereof as worded prior to the entry into force of the new wording.
- 9.6. Any change of the data of the Administrator or its contact details does not impose on the Administrator the obligation to apply the procedure referred to in this Section 9; the Administrator shall, however, be required to notify the Designer of such change.

## **10. FINAL PROVISIONS**

- 10.1. These Rules and Regulations of the Platform worded as herein took effect on 19.12.2018.
- 10.2. Whenever in the Rules and Regulations of the Platform a possibility or the obligation on the part of the Designer to contact the Administrator is envisaged, such contact shall take place with the use of electronic mail (unless agreed otherwise in the Rules and Regulations) to the Administrator's e-mail address indicated in the Rules and Regulations, and in the event no such address is indicated in the dedicated space in the Designer's Panel, to the following address: [contact@shwrm.com](mailto:contact@shwrm.com).
- 10.3. To matters not regulated in the Rules and Regulations of the Platform, the applicable provisions of the Polish law shall apply.