**AGREEMENT NO. \_\_\_\_**

**Milan (Italy) "\_\_\_" \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2024**

**SOFIS S. R. L.**, hereinafter referred to as "Seller", legally represented by the sole administrator Aleksandra Kuznetsova, acting with full corporate authority and with full legal responsibility, as the Party of the first part, and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter referred to as "Customer", legally represented by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, acting on the basis of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, as the Party of the second part, made this Agreement concerning the following:

1. **SUBJECT OF THE AGREEMENT**

1.1. The Seller is obliged to deliver, and the Customer is obliged to accept and to pay for cosmetic products (hereinafter referred to as the Goods) in the quantity, at the price, and at the range agreed by the Parties and specified in the delivery documents for each specific batch of Goods.

1.2. The Seller provides the Customer with the Goods under conditions, at the range, and at the prices in accordance with the Specifications to this Agreement, which make essential parts of the Agreement.

1.3. At the making of this Agreement, the Parties provide each other with copies of documents confirming the legal capacity of the legal entity: extract from the legal entities commercial register, legal entity basic information portfolio.

1. **SALES PLAN**

2.1. The Seller and the Customer shall agree on a plan for the purchase of Goods for the next quarter not later than the 05th day of each last quarter month. Applications for the delivery shall be submitted by the Customer and agreed by the Parties on a quarterly basis no later than the 10th day of the last quarter month.

2.2. The Seller and the Customer shall agree on the scope of the sales for each upcoming calendar year one month prior to the calendar year expiration.

2.3. The Customer is obliged to provide the Seller with information on the sales of the Seller's Goods in the form of a detailed report no later than the 20th day of each month.

2.4. The Customer is obliged not to purchase the Seller's products from other Suppliers without the prior consent of the Seller.

1. **PRICES AND PAYMENT TERMS**

3.1. Prices for the delivered Goods are set in Euro and are specified in the Specification to this Agreement and Invoices for each delivery. The price of the Goods includes container, packaging, and labeling.

3.2. The Seller has the right to revise the Specification and should notify the Customer of the new prices within 14 (fourteen) calendar days prior to the expected price change. If the assortment matrix is changed, the Seller shall notify the Customer within 5 (five) calendar days prior to the Specification change.

3.3. The Customer is obliged to pay for each batch of the delivered Goods under the terms: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

3.4. Payment is made by transferring an appropriate monetary amount to the Seller's account.

The Customer's obligations for payment of the Goods shall be considered to be performed at the time of the monetary amount receipt at the current account of the Seller. The Customer shall fully bear the Bank's expenses for the transfer of funds and the fees charged by the Bank for foreign currency transfers.

The minimum monetary amount for the Customer's order is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Commodity items shipment is made in multiples of boxes. Violation of the assortment in the box is not allowed.

3.5. Quarterly, within 10 working days of the month following the expired quarter the Seller sends to the Customer the reconciliation report. Within 5 (five) working days from the time of its receipt, the Customer shall sign two copies of the above report and send them to the Seller by e-mail and by registered mail.

**4. CONDITIONS AND TERMS OF DELIVERY AND ACCEPTANCE OF THE GOODS**

4.1. The Seller on a regular basis accepts Customer's orders not later than 14 (fourteen) calendar days before the planned shipment date for the Goods delivery and within 2 (two) working days after receipt of the order sends the Customer a confirmation of the order receipt, invoice (proforma invoice) for payment indicating the range, quantity, delivery time, price and cost of the Goods for delivery. In order to optimize logistics costs, the Parties have agreed the Customer's orders receipt and shipment to be multiple of the factory packages in quantitative terms. Applications are accepted by the Seller through the e-mail: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

4.2. The Delivery of the Goods is negotiated and agreed by the Parties in addition to each order.

4.3. The date of receiving the Goods and transferring ownership of the Goods, as well as the risks of accidental loss or damage of the Goods is the date of transferring of the Goods to the authorized representative of the Customer and the CMR signing in the following cases:

- delivery of Goods under the terms of self-delivery, i.e. by efforts and at the costs of the Customer, from the Seller's warehouse

- delivery of Goods by efforts and at the costs of the Seller to the Customer's warehouse at the address specified by the Customer.

The date of receiving the Goods and transferring ownership of the Goods, as well as the risks of accidental loss or damage of the Goods in the case when the Goods are transferred to the transport company for transportation chosen by the Customer, is the date of transferring the Goods to the first carrier and the CMR signing

4.4. The Seller's obligations for transferring the Goods are considered to be fulfilled at the date of the CMR signing. The CMR signing date is the delivery date.

4.5. The remaining shelf life of the Goods at the time of being received by the Customer must be at least 2/3 of the total shelf life of the Goods.

4.6. A person who has a Power of attorney issued by the Customer giving the right to sign such documentation has the right to sign the shipping accounting documents, shipping documents.

4.7. Upon delivery of the Goods, the Customer shall send the signed CMR and invoice, as of the day of the Goods receipt, to the Seller by e-mail or facsimile communication and within 3 (three) working days - by mail with notification of receipt. In case of non-receipt by the Seller of invoices and CMR with the original stamp and signature, the received invoices and CMR by e-mail or facsimile connection will have evidential significance and full force and effect.

4.8. The quality of the Goods and their marking should comply with the standards and requirements established for this type of Goods.

4.9. Acceptance of Goods by quantity, range, and quality (visible defects that can be identified through examining the Goods without opening the package, hereinafter referred to as "visible defects"), is made by the Customer at the time of the Goods receipt from the Seller. The Goods is considered to be accepted by the Customer in terms of quantity, range, and quality (visible defects), from the date of the CMR signing by the authorized representative of the Customer.

4.10. The fact of quantitative or qualitative discrepancies or non-compliance of the delivered Goods with the terms of the Agreement when they are found directly at the time of acceptance by the Customer must be indicated in the CMR, invoice and fault certificate and certified by the signatures of the representatives of the transferring and receiving Parties, as well as confirmed by the photographic evidence.

4.11. The Customer has the right to submit claims for content shortages based on the fault certificate within 14 (fourteen) calendar days from the date of the Goods acceptance at the Customer's warehouse. The Customer is obliged to record the fact of the content shortage by means of photographic evidence and to provide it simultaneously with the fault certificate to the Seller.

4.12. In case of payment term delay by the Customer for the Goods delivered earlier by the Supplier, the Supplier has the right by appealing to the court, to collect from the Customer, all amount of debt under the Agreement, including the amount for the delivered Goods which payment term did not come yet.

**5. LIABILITY OF THE PARTIES**

5.1. In case of delay in payment by the Customer, the Seller has the right to collect a penalty from the Customer in the amount of 0.03% for each day of delay. The Seller has the right to collect a penalty from any of the received payment for the Goods, as well as to set off the received funds against the payment of the overdue debts and penalties, regardless of the destination specified by the Customer in the payment documents.

5.2. In case of violation of the delivery time by the Seller, the Customer has the right to collect a penalty from the Seller in the amount of 0.03% of the cost of the Goods not delivered on time for each day of delay. In this case, the penalty is recognized as exceptional, losses and lost profits are not refundable.

5.3. Each Party has the right to unilaterally and out of court terminate this Agreement in case of significant violations of the terms of the Agreement by the other Party, having previously notified the opposite Party within 15 calendar days prior to its termination.

5.4. The Seller guarantees the Customer that the Seller is a legal entity, duly registered in compliance with the laws of Italy and carries out activities that do not contradict to the applicable laws of Italy.

5.5. The Seller is obliged to check and to guarantee that the delivered Goods do not violate the rights and legitimate interests of third parties, in particular, the interests of the intellectual property.

5.6. If the Customer fails to send the properly signed invoices and CMR, the Customer upon the Seller’s written request, shall pay to the Seller the penalty in the amount of 0.1% of the Goods batch cost under the invoice/CMR, which was not sent in a timely manner, for each day of delay.

5.7. In other respects, not provided in this Agreement, the Parties shall be governed by the applicable laws of Italy.

**6. ALTERATIONS AND ADDITIONS TO THE AGREEMENT**

6.1. Alterations and additions to this Agreement shall be made only in writing and signed by both Parties.

6.2. It is allowed to sign the Agreement, additions and alterations to this Agreement by the Parties by means of e-mail, followed by the exchange of documents on paper with the original signatures and seals.

6.3. The Agreement is considered to be concluded from the date of it being signed by the Parties.

6.4. The Parties agreed that upon receipt by the Seller through e-mail of the signed copy of the Agreement and in the absence of the Agreement with the original signature and seal, the Agreement is considered to be concluded and to have full legal force and evidential significance in the court and other competent authorities.

6.5. If the Agreement does not expressly provide for the method of the documents transfer, all documents specified in this Agreement shall be transferred by the Parties in one of the ways:

* by registered mail with return receipt; by facsimile connection; by e-mail; by courier.
* The date of receipt shall be considered:
* in case of sending by registered mail with return receipt – the date specified in the return receipt;
* in case of sending by facsimile connection - the date specified by the person who sent the notification;
* in case of sending by e-mail - the date of sending the notification, specified in the e-mail of the sender;
* in case of sending by courier - the date specified in the record of the courier mail receipt letter or a mark on the letter copy acceptance.

6.6. Documents, including applications, acts, letters, notifications, notices signed by an authorized person of one of the Parties, transmitted by e-mail, will have evidential significance and be in full force and effect.

The parties acknowledge the correspondence sending by e-mail:

From Customer \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

From Seller \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

6.7. The sale of Goods to the Customer shall be governed by this Agreement, the standard sale conditions of the Organization and the United Nations Convention, 1980 on Contracts for the international sale of goods (Vienna Declaration) to the extent allowed by law of Italy.

**7. FORCE MAJEURE CIRCUMSTANCES**

7.1. The Parties shall not be liable for partial or complete failure to fulfill obligations under this Agreement if the failure to fulfill these obligations became as the result of force majeure circumstances arose after the making of the Agreement as a result of extraordinary events that the Parties could neither foresee nor prevent by reasonable means. Force majeure circumstances shall include events that the Party cannot have an influence on and that this Party is not responsible for (natural disasters, military actions, strikes, legislative acts of state bodies, actions of the authorities).

7.2 The Party that became exposed to force majeure circumstances is obliged within 5 (five) working days to notify the other Party in writing on the occurrence of force majeure circumstances with the provision of objective evidence from the relevant authorities or organizations.

**8. POSSIBLE DISPUTES SETTLEMENT**

8.1. All disputes and disagreements that may arise during the execution of this Agreement will be resolved by the Parties by means of negotiations. The term for consideration of the claim is 10 (ten) working days, established in the country the claim was sent to, from the date of the claim receipt.

8.2. If it is impossible to resolve disputes by means of negotiations, the parties shall submit the claims to the Court of Bologna in the manner prescribed by the law of Italy.

8.3. The law of Italy shall be the applicable law for this Agreement.

**9. COMMENCEMENT AND VALIDITY PERIOD OF THE AGREEMENT**

9.1. The agreement shall be considered as concluded from the date of this Agreement being signed.

9.2. The Agreement shall be valid until **31 December 2023**. The end of the Agreement's validity period shall not release the Parties from the performance of their obligations, which remained unfulfilled as of the date of **31 December 2023**.

9.3. The Parties have the right to terminate this Agreement unilaterally, while the Party intending to terminate the Agreement shall notify the other Party on this intention in writing within the period of at least one month in advance. The Parties shall fulfill all mutual obligations arose prior to the termination of the Agreement.

9.4. If one calendar month prior to the expiration of this Agreement, none of the Parties notifies the other one in writing of its intention to terminate this Agreement, the validity period of this Agreement shall be automatically prolonged for every subsequent calendar year.

9.5. All previous agreements, both oral and written, shall cease to be valid from the date of this Agreement being signed by the Parties.

**10. OTHER CONDITIONS**

10.1. This Agreement contains confidential information. The Parties shall not disclose confidential information to any other person during the validity period of the Agreement, as well as within one year after its termination.

10.2. All Annexes to this Agreement are its essential part.

10.3. This Agreement is made and signed by both Parties in duplicate and in the English language. All copies shall be equally valid and binding. Each Party shall have one copy of this Agreement.

**11. LEGAL ADDRESSES AND BANKING DETAILS OF THE PARTIES**

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| **"SELLER"**  Company name SOFIS S.R.L.  Registered office address 20123 Milano (MI)- Italy, Via Vincenzo Monti, 8 INT.207/52  Phone number +390289732253  IBAN: IT 51 W 02008 01628 000105646236  Bank UniCredit Filiale Milano Carducci (00228)  Bank address Unicredit Spa – Via Carducci n.10 - 20123 Milano  Swift code: UNCRITM1228  VAT number (P. IVA) 10809300964  TIN 10809300964  Legal Representative ALEKSANDRA KUZNETSOVA  E-mail  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Aleksandra Kuznetsova** | **"CUSTOMER"** |