

COMPLIANCE SERVICE AGREEMENT

THIS COMPLIANCE SERVICE AGREEMENT (this “**Agreement**”) is entered into as of _____, 2026, by and between **Landbell USA Inc.**, a non-profit corporation incorporated under the laws of the State of Delaware (hereinafter referred to as “**Landbell USA**”), and _____, with the Employer Identification Number OR Tax Identification Number _____ and organized under the laws of _____ (hereinafter referred to as the “**Customer**”).

WHEREAS, Landbell USA has been selected and approved by CalRecycle as a Producer Responsibility Organization (“**PRO**”) to implement the Responsible Textile Recovery Act of 2024 (SB 707, Newman, Chapter 864, Statutes of 2024) (California Public Resources Code § 42984 et seq.) and the applicable rules and regulations thereunder) (the “**Act**”);

WHEREAS, the Customer is a distributor, importer, producer or retailer as defined under the Act (a “**Producer**”), having confirmed an annual global turnover exceeding one million dollars (\$1,000,000 USD);

WHEREAS, the Customer requires the services of Landbell USA to carry out its statutory compliance obligations for the collection, repair, reuse, and recycling of apparel and textile products in the State of California under such Act;

WHEREAS, the Customer has completed the applicable account registration form (the “**Registration Form**”) to register with Landbell USA as required by the Act;

WHEREAS, Landbell USA and the Customer have entered into this Agreement for the purposes of confirming, clarifying and defining their respective rights and obligations in respect to the services to be provided by Landbell USA regarding the fulfilment of the Customer’s responsibilities under such Act; and

WHEREAS, this Agreement is an interim agreement subject to modification from time to time as Landbell USA engages in good faith, collaborative discussions with Producers and, where appropriate, with CalRecycle, and considers input and suggestions from Producers and CalRecycle when evaluating potential revisions to this Agreement.

NOW THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

Section 1. DEFINITIONS. Where used in this Agreement, the following words and terms shall have the meanings indicated below, unless there is something in the subject matter or context inconsistent therewith or unless otherwise expressly provided:

- 1.1 “**Act**” shall have the meaning set forth in the Recitals of this Agreement.
- 1.2 “**Apparel**” shall have the meaning set forth in the Act.
- 1.3 “**Authorized Representative**” shall mean the individual with legal authority to bind the Customer to this Agreement.
- 1.4 “**CalRecycle**” shall mean California’s Department of Resources Recycling and Recovery, which brings together the State of California’s recycling and waste management programs to move the state towards a circular economy that reduces waste and reuses all materials. CalRecycle has responsibility for the implementation of the Act.
- 1.5 “**Covered Products**” shall mean apparel and textile products as defined in the Act.
- 1.6 “**Eco-Modulated Fees**” shall mean fees assessed by Landbell USA based on the quantity and material composition of products to incentivize circularity.

1.7 “**Party**” shall mean one of the parties to this Agreement and “**Parties**” shall mean the parties to this Agreement.

1.8 “**Performance Period**” shall mean the applicable calendar year, during which a producer is responsible for collecting of Apparel and Textiles.

1.9 “**Producer**” shall have the meaning set forth in the Act, and shall include all persons and entities who are required to carry out responsibilities under the Act.

1.10 “**Producer Responsibility Organization**” shall mean an entity retained by a Producer for the purpose of carrying out one or more of the Producer responsibilities relating to Apparel and Textiles under the Act.

1.11 “**Sensitive Business Information**” (or “**SBI**”) shall mean proprietary data including brand lists, sales volume, and material compositions.

1.12 “**Service Fees**” shall mean the Fees contemplated by the Act for the PRO services, that are eco-modulated.

1.13 “**Textiles**” shall mean “Textile Articles” as defined under the Act.

Section 2. **ENGAGEMENT OF LANDBELL USA.** The Customer hereby engages Landbell USA in accordance with the terms and conditions of this Agreement for compliance with its Producer responsibilities in California under the Act. This Agreement is an interim agreement subject to modification. Landbell USA will continue to engage in good faith, collaborative discussions with Producers and, where appropriate, with CalRecycle. Landbell USA will also consider input and suggestions from Producers and CalRecycle when evaluating potential revisions to this Agreement.

Section 3. **TERM AND TERMINATION.**

3.1 Term. Subject to the earlier termination of this Agreement as herein provided, this Agreement shall be in effect commencing on the date of execution of this Agreement as stated above until (a) Customer gives notice in writing to Landbell USA least three (3) months prior to the end of the calendar year or (b) either Party gives written notice to other Party in accordance with the termination rights set forth in this Section 3 (each such event being referred to herein as “**Termination**”).

3.2 Early Termination by Landbell USA. This Agreement may be immediately terminated by Landbell USA by providing written notice to the Customer in the event that the Customer:

- (i) fails to pay the first annual Administrative Registration Fee within ten (10) calendar days following the execution of this Agreement by Customer, notwithstanding anything in this Agreement to the contrary, and without any requirement for Landbell USA to comply with Section 3.4 whatsoever (and without the requirement to send any notice otherwise required pursuant to Section 3.4);
- (ii) files or has filed against it a petition, proposal, assignment, arrangement or other application under the provisions of any applicable bankruptcy or insolvency laws;
- (iii) liquidates its assets or sells all or substantially all of its assets;
- (iv) a trustee or receiver is appointed for all or substantially all of its business; or
- (v) ceases to carry on business for a period in excess of thirty (30) days.

3.3 Termination Following Price Adjustments. In the event that Landbell USA's Service Fees adjustment stipulated in Section 6 of this Agreement has been rejected by the Customer, each Party may terminate this Agreement upon thirty (30) days written notice, taking effect at the end of the calendar month following Termination notice issuance.

3.4 Customer Breach; Suspension, Reinstatement and Termination. In the event that the Customer breaches its obligations under this Agreement, including without limitation if the Customer's payment is not received by the date upon which it is due, Landbell USA shall provide written notice of default.

(a) Cure Period. The Customer shall have thirty (30) days from the date of the notice to cure the breach (the "**Cure Period**"). If the breach is not cured within the Cure Period, subject to Section 3.4(d) below, Landbell USA may suspend all services (including without limitation all services required to maintain such Customer's compliance with the Act and all reporting to CalRecycle) (a "**Suspension**") for a further thirty (30) days (the "**Reinstatement Period**").

(b) Reinstatement Period. During the Reinstatement Period, the Customer may reinstate this Agreement by curing all breaches (including without limitation all outstanding fees and interest) before the end of the Reinstatement Period. During the Reinstatement Period, Landbell USA may notify CalRecycle that such Customer is in breach and has not cured such breach(es) during the Cure Period, is currently suspended and is pending Termination if all breaches are cured during the Reinstatement Period.

(c) Termination. If the Customer does not cure all breaches during the Reinstatement Period, then upon the expiration of the Reinstatement Period Landbell USA may immediately terminate this Agreement by providing written notice to the Customer.

(d) Dispute Resolution & Escrow. A Suspension shall not occur during the Reinstatement Period and any Termination shall be delayed, if during the Cure Period (i) the Customer has initiated dispute resolution discussions under Section 8.1, (ii) (if such discussions do not resolve the dispute during such thirty (30) day discussion period) the Customer has during the Reinstatement Period initiated an arbitration pursuant to Section 8.2 and (iii) if the dispute involves a fee dispute then the Customer has deposited the disputed amount into a bank's commercial escrow account (using such bank's offices located in California). In such event, any Suspension and Termination shall be delayed until resolution of the arbitration, and shall not occur if the arbitrator rules in favor of the Customer and determines that such Customer was not in breach of this Agreement.

3.5 Suspension and Termination Reporting & Indemnity.

(a) Statutory Acknowledgments. In the event of Suspension or Termination, the Customer acknowledges and agrees that: (i) the Customer may be in immediate violation of the Act; (ii) the Customer remains solely responsible for securing an alternative means of complying with the Act from the effective date of Termination; (iii) Landbell USA shall have no further compliance or reporting obligations with respect to the Customer's Covered Products from such date (i.e., unless and until the Customer cures all breaches during the Reinstatement Period); and (iv) Landbell USA is legally mandated to report such Suspension or Termination and the reasons relating thereto to CalRecycle, and the Customer irrevocably consents to any such reporting and acknowledges and expressly agrees that such reporting does not constitute a breach of confidentiality or give rise to any liability for Landbell USA.

(b) Indemnity. The Customer agrees to forever indemnify and hold Landbell USA harmless against any fines, penalties, damages, costs and expenses (including without limitation reasonable attorney's fees and expenses) incurred by Landbell USA, as incurred, arising from any CalRecycle determination, imposition or action against or involving Landbell USA which result from the Customer's breach of this Agreement.

3.6 Post-Termination Obligations.

(a) Survival of Obligations. Upon the expiration or Termination of this Agreement for any reason, the following provisions shall survive and remain in full force and effect: Section 3.5 (Suspension and Termination Reporting & Indemnity), Section 3.6 (Post-Termination Obligations), Section 6 (Service Fees, Invoicing and Payment) with respect to amounts accrued or incurred prior to the effective date of Termination, Section 7 (Indemnification), Section 8 (Dispute Resolution), Section 10 (Confidentiality), and Section 11 (Miscellaneous), as

well as any other obligations which, by their nature, are intended to survive Termination. All surviving obligations shall apply to the authorized transferees and permitted successors of the Parties.

(b) Post-Termination Fees and Reporting. Following the expiration or Termination of this Agreement for any reason, the Customer acknowledges and agrees that: (i) it remains obligated to pay any and all Service Fees and other amounts that arose or accrued during the period in which it had an active contract, including any fees that arise or are invoiced following the effective date of Termination as a result of additional volumes reported, reconciliation of reporting data, or additional costs incurred by Landbell USA with respect to collection, processing, or recycling obligations attributable to the Customer's Covered Products placed on the market during any prior Performance Period (it being acknowledged that such fees may arise during or after a given compliance period and may be invoiced to the Customer up to twelve (12) months following the end of the applicable Performance Period); and (ii) it shall provide to Landbell USA the final put-on-market quantities of Covered Products for the calendar year in which Termination occurs (and any prior calendar year for which reporting remains outstanding), no later than March 31 of the year immediately following such calendar year, or such earlier date as may be required by CalRecycle or the Act, even if such request is made after the effective date of Termination.

Section 4. OBLIGATIONS OF LANDBELL USA.

4.1 Compliance. Subject to the Customer's timely compliance with all of its obligations in this Agreement, Landbell USA shall take the necessary steps to ensure that the Customer receives all services from the PRO that enable the Customer to comply with the Act in respect to all of the Customer's Apparel and Textile as set out in this Agreement. Landbell USA shall organize the collection, transportation, and processing of covered Apparel and Textiles within California.

4.2 Reporting. Subject to the Customer's timely compliance with all of its obligations in this Agreement, Landbell USA shall provide reporting services to CalRecycle in respect of the Producer responsibilities of the Customer.

4.3 Promotion and Education. Landbell USA shall provide state-mandated outreach and education regarding Apparel and Textile repair and reuse as it shall deem appropriate to fulfil its obligations under the Act.

Section 5. OBLIGATIONS OF CUSTOMER.

5.1 Accurate Reporting. The Customer shall provide in a timely manner (by the dates reasonably specified by Landbell USA) all information reasonably requested by Landbell USA to operate the program effectively in accordance with the Act, ensuring such data is as accurate as possible. It shall do so in the format reasonably required by Landbell USA.

(a) The Customer shall notify Landbell USA as soon as reasonably practicable after discovering that any information provided to Landbell USA pursuant to the terms of this Agreement is inaccurate together with details of the inaccuracy. The Customer shall provide accurate replacement information as soon as possible thereafter.

(b) The Customer shall notify Landbell USA in writing with respect to any material change in the information provided to Landbell USA within ten (10) days of the occurrence of any such change, or sooner if required by the Act.

(c) Where any information provided to Landbell USA under this Agreement is not accurate, or there is a material change in respect to the information, the Customer shall reimburse Landbell USA for any reasonable costs incurred by Landbell USA as a result thereof immediately on receipt of an invoice from Landbell USA specifying the amount of such additional costs.

(d) The Customer shall provide to Landbell USA a written list of brands of covered products that the Customer sells, distributes for sale, imports for sale, or offers for sale in or into the state, and shall provide an updated list to Landbell USA within ten (10) days of any change in any of the foregoing information .

5.2 Audit. The Customer shall permit Landbell USA, or an appointed third-party auditor, to audit the Customer's reporting data from time to time as determined by Landbell USA to verify its accuracy, including but not limited to the quantity and material types reported, sales channels, threshold, distribution chain, etc.

5.3 Fees. The Customer shall timely pay the Service Fees as provided in Section 6 below.

Section 6. SERVICE FEES, INVOICING AND PAYMENT.

6.1 Service Fees. The Customer shall pay Landbell USA the Service Fees set out in Schedule "1" attached hereto in accordance with the following invoicing schedule: (a) where the total annual Service Fees payable by the Customer are equal to or less than fifty thousand dollars (\$50,000 USD), Landbell USA shall issue a single annual invoice at the start of the applicable calendar year; (b) where the total annual Service Fees payable by the Customer are greater than fifty thousand dollars (\$50,000 USD) but less than five hundred thousand dollars (\$500,000 USD), Landbell USA shall issue four (4) equal quarterly invoices at the start of each calendar quarter; and (c) where the total annual Service Fees payable by the Customer are equal to or greater than five hundred thousand dollars (\$500,000 USD), Landbell USA shall issue equal monthly invoices at the start of each calendar month.

6.2 Adjustments. Landbell USA's Service Fees shall be based on its actual out-of-pocket operating costs, fees and expenses incurred in connection with serving as the Producer Responsibility Organization under the Act (including without limitation the costs, fees and expenses related to collection, transportation and processing, subcontractors, employees, consultants, advisor, subcontractors, office space, utilities, etc.) (collectively, "**Actual Costs**") *plus* an additional amount equal to fifteen percent (15%) of the Actual Costs to cover administrative overhead and operational risk. If at any time and from time to time the Actual Costs increase, Landbell USA may adjust its Service Fees to maintain this cost-plus structure. Landbell USA shall provide at least thirty (30) days' prior written notice to the Customer of any such change in the Service Fees. In connection with any increase in Service Fees, Landbell USA shall provide a high-level summary of the costs, fees and expenses necessitating any such increase (e.g., increased logistics, labor, or state regulatory fees).

(a) Additionally, notwithstanding anything to the contrary herein, the annual Administrative Registration Fee shall be subject to increase based upon the results of the formal statewide needs assessment and the specific infrastructure, collection, repair, and recycling improvements recommended or required by CalRecycle to implement the Act. Landbell USA may adjust the Administrative Registration Fee from time to time as it determines is reasonably necessary to ensure adequate funding to implement these state-recommended improvements and fulfill its regulatory obligations as the PRO.

(b) Adjustments to the Service Fees by Landbell USA shall be deemed to have been irrevocably accepted by the Customer unless the Customer provides written notice of objection to Landbell USA within thirty (30) days following the Customer's receipt of the written notice of adjustment from Landbell USA. A timely objection shall not stay the effectiveness of the adjusted Service Fee. To maintain "Compliant" status and avoid Suspension or Termination hereunder, the Customer must pay the adjusted Service Fee but can invoke the dispute resolution procedure in Section 8. In the event that one or more Customers object in a timely manner and invoke the dispute resolution procedure in Section 8, to ensure administrative efficiency, Landbell USA shall have the right, in its sole discretion, to consolidate all objections arising from the same fee adjustment into a single arbitration proceeding under Section 8. In such event, the arbitrator's decision regarding the Service Fee increase shall be final and binding on all objecting Customers.

6.3 Payment. The Customer shall pay invoices of Landbell USA by bank transfer, or other payment methods agreed to in writing by Landbell USA (e.g., credit cards) within fifteen (15) days of the date of issue of the invoice. All payments payable by the Customer to Landbell USA pursuant to this Agreement shall be in US dollars and shall be made in such manner as may be designated in writing.

6.4 Late Payments; Interest. All amounts payable pursuant to this Agreement or any other agreement between the Parties hereto shall bear interest after the date upon which the said payment becomes due at three percent

(3%) per annum above the lowest annual rate of interest quoted by Landbell USA's bank to its most credit worthy borrowers for prime business loans at the time the said payment becomes due.

6.5 Assignment of Payment Claims. Notwithstanding Section 11.5, Landbell USA shall have the right, at any time and without the prior consent of the Customer, to assign, transfer, or refer any overdue or outstanding payment claims arising under this Agreement to a third-party debt collection agency or similar entity (each, a "**Collection Agency**"). The Customer acknowledges and agrees that (a) such assignment or referral does not constitute an assignment of this Agreement in its entirety; (b) the Collection Agency shall have the right to pursue recovery of such amounts on behalf of Landbell USA, including through legal proceedings; and (c) the Customer shall remain liable for all amounts owed, together with any reasonable collection costs and fees incurred by Landbell USA or the Collection Agency in connection with such recovery efforts. Landbell USA shall provide written notice to the Customer of any such assignment or referral promptly following the date thereof.

Section 7. INDEMNIFICATION.

7.1 Limitation of Liability. In no event shall either Party be liable to the other for any special, indirect, incidental, punitive or consequential damages (including but not limited to loss of profits or economic loss) arising directly or indirectly out of any performance of the Agreement. The total liability of Landbell USA under this Agreement shall not exceed the total Service Fees actually paid by the Customer during the calendar year when the claim was presented and may only arise from its willful misconduct or gross negligence of Landbell USA.

7.2 Indemnification. The Customer shall indemnify Landbell USA from and against all losses, costs and expenses whatsoever arising from or in connection with (a) any failure by the Customer to abide by its fundamental obligations pursuant to the provisions of Section 5 under this Agreement and (b) any failure by the Customer to pay the amounts due to Landbell USA.

Section 8. DISPUTE RESOLUTION.

8.1 Discussions. The Parties shall strive to settle any dispute arising from the interpretation or performance of this Agreement through amicable discussion within thirty (30) days after one Party notifies the other in writing requesting such discussion. In the event that no settlement can be reached through discussion, the Parties agree that the matter shall be submitted to arbitration pursuant to Section 8.2.

8.2 Arbitration. Except for disputes and claims with respect to which a Party seeks specific performance in connection with a breach of confidentiality (Section 10) (which may be pursued in any state and federal courts in California), each Party agrees that arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules (the "**AAA Rules**") shall be the sole and exclusive method for resolving any claim or dispute ("**Claim**") arising out of or relating to the rights and obligations of the Parties under this Agreement. The Parties hereto agree that (a) one arbitrator shall be appointed pursuant to the AAA Rules to conduct any such arbitration, (b) such arbitrator shall have at least 20 years of experience with respect to complex commercial contracts, (c) all meetings of the Parties and all hearings with respect to any such arbitration shall take place in Los Angeles, California, and (d) except as may be required by law or to enforce an arbitration award in court, the existence of the arbitration, the proceedings, all documents and evidence disclosed therein, and any award rendered shall be kept strictly confidential by the Parties and the arbitrator (provided, however, that nothing in this confidentiality provision shall hinder or prevent Landbell USA from reporting the Customer's compliance status, any Suspension, or the Termination of this Agreement to CalRecycle as required by the Act). Until the arbitrator has entered its award, the Parties shall share equally the arbitrator's fees and expenses. The non-prevailing Party in any such arbitration shall reimburse the prevailing Party for all of the prevailing Party's reasonable costs and expenses incurred in connection with such dispute (including, without limitation, reasonable attorneys' fees and expenses, reasonable accountants' fees and expenses, reasonable expert witness fees and expenses and any arbitrator fees and expenses already paid by the prevailing Party) and shall pay any remaining costs and expenses of the arbitration proceeding (such as the arbitrator's fees, hearing expenses, etc.). In addition, the Parties hereto agree that (i) the arbitrator shall have no authority to make any decision, judgment, ruling, finding, award or other determination that does not conform to the terms and conditions of this Agreement (as executed and delivered by the Parties hereto) and (ii) the arbitrator shall have no greater authority to award any relief than a California court.

8.3 Waiver of Jury Trial. The Parties hereby waive any right to trial by jury in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, whether now existing or hereafter

arising, and whether arising in contract, tort or otherwise. The Parties agree that any of them may file a copy of this paragraph with any court as written evidence of the knowing, voluntary and bargained-for agreement among the Parties irrevocably to waive trial by jury and that any action or proceeding whatsoever among them relating to this Agreement or any of the transactions contemplated hereby shall instead be subject to arbitration pursuant to Section 8.2 and, if arbitration is unenforceable for any reason, tried in a court of competent jurisdiction by a judge sitting without a jury.

Section 9. NO FIDUCIARY RELATIONSHIPS OR PARTNERSHIPS; NO AUTHORITY TO BIND. Nothing in this Agreement is intended by the Parties hereto to, nor shall this Agreement (a) create a fiduciary relationship between the Parties (and each Party waives any such duties if and to the extent they may exist at any time and from time to time) nor (b) constitute the Customer as an agent or partner of Landbell USA for any purpose whatsoever. It is understood and agreed that the Customer is an independent contractor and is in no way authorized to make any statement, contract, warranty, or representations on behalf of Landbell USA or to otherwise bind or create any obligation on for or behalf of Landbell USA.

Section 10. CONFIDENTIALITY.

10.1 General. Both Parties shall keep confidential any information about the other Party related to this Agreement, and shall not divulge or communicate it, save with the prior consent in writing of the other Party, to any person other than as reasonably necessary to its employees, subcontractors, parent companies or professional advisers or auditors or any administrative authorities or as required to implement the terms of this Agreement (e.g. reporting to the authorities) or otherwise required by law or by a judicial or regulatory body. The above is however not applicable to confidential information that is known to the public or becomes publicly known in another way than through a breach of this Agreement. Furthermore, each Party has the right to notify a third party that the Customer is a customer of Landbell USA. This Section 10 constitutes the entire agreement between the Parties with respect to the confidentiality of information exchanged in connection with this Agreement and supersedes and replaces any prior non-disclosure or confidentiality agreement previously entered into between the Parties relating to the subject matter hereof.

10.2 Notifications. Notwithstanding Section 10.1, Landbell USA shall have the absolute right to report any information to CalRecycle and any other person or entity as required by the Act. Without limiting the foregoing, Landbell USA may report any Suspension or Termination of or under this Agreement (and the reasons therefor and information in connection therewith) pursuant to the foregoing. Landbell USA shall not be liable to the Customer for any notification or disclosure made pursuant to the terms of this Agreement.

Section 11. MISCELLANEOUS.

11.1 Law and Venue. This Agreement shall be governed by, and construed in accordance with, the substantive laws of the State of California applicable to agreements made and to be performed wholly within such jurisdiction (notwithstanding any choice of law principles, statutes or rules to the contrary). Each of the Parties to this Agreement hereby submits to the exclusive jurisdiction of the state and federal courts located in Los Angeles, California in respect of the claims with respect to which a Party seeks specific performance (or any dispute regarding the enforceability of the arbitration provision), and waives, and agrees not to assert, any defense in any such action that such Party is not subject to such jurisdiction or that such action may not be brought or is not maintainable in such courts, that the action is brought in an inconvenient forum, or that the venue of the action is improper. Service of process with respect thereto may be made upon any Party by mailing a copy thereof by registered or certified mail, postage prepaid, to such Party at its address as provided herein. Any rule of law or any legal decision that would require interpretation of any ambiguities in this Agreement against the Party that drafted it, is of no application and is hereby expressly waived.

11.2 Captions and Headings. The captions and headings used in this Agreement are for convenience of reference only and do not constitute a part of this Agreement and shall not be deemed to limit, characterize or in any way affect any provision of this Agreement, and shall not affect the interpretation or construction of this Agreement.

11.3 Entire Agreement. This Agreement, the information provided by the Customer pursuant to the Registration Form and the schedules hereto (which are part of this Agreement and are incorporated herein for all purposes), constitutes the entire agreement and understanding between the Parties with respect to the subject matter

hereof and supersedes any prior understandings, agreements or representations by or among the Parties, written or oral, which may have related to the subject matter hereof or thereof in any way.

11.4 Amendment and Waiver. Landbell USA may change the terms and conditions of this Agreement upon fifteen (15) days' written notice to the Customer, including pursuant to Section 2 of this Agreement. If the Customer does not object in writing and/or continues use of the services by Landbell USA after the notice period, it shall constitute irrevocable acceptance by the Customer of the modified terms and conditions. Subject to the foregoing, no amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by each Party hereto. No waiver by any Party of any default or breach hereunder, whether intentional or not, shall be (a) valid unless the same shall be in writing and signed by the Party against whom such waiver shall be enforced and (b) deemed to extend to any prior or subsequent default or breach hereunder, or affect in any way any rights arising by virtue of any such prior or subsequent occurrence. No course of dealing between or among the Parties shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any Party under or by reason of this Agreement.

11.5 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and permitted assigns, except that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned or delegated by either Party hereto without the prior written consent of the other Party (and any attempted or purported assignment in violation of the foregoing shall be void and of no force or effect); provided that Landbell USA may assign this Agreement, or any of its rights, interests or obligations hereunder, without the consent of the Customer, to any affiliate of Landbell USA or in connection with a merger, acquisition, or sale of all or substantially all of Landbell USA's assets; and provided further that, notwithstanding the foregoing, Landbell USA may, without the prior consent of the Customer, assign, transfer, or refer any overdue or outstanding payment claims arising under this Agreement to a Collection Agency in accordance with Section 6.5.

11.6 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Agreement.

11.7 Notices. All notices, demands, and other communications to be given or delivered under or by reason of the provisions of this Agreement may be delivered by email and shall be deemed received on the date of transmission if sent prior to or during the recipient's business hours (9:00 AM to 5:00 PM local time) on a business day. If sent after 5:00 PM local time, or on a weekend or public holiday, such communication shall be deemed received on the next business day. Any such emails to Landbell USA shall be sent to notices.landbellusa@landbellgroup.com and any emails to the Customer shall be sent to the Customer's email as set forth in the Registration Form. (Landbell USA may send an email to the Customer and to other customers under similar agreements, and such email shall be deemed to be a valid notice, demand or other communication hereunder to each such recipient.) Additionally, and without limiting the foregoing, notices, demands, and other communications may be sent by reputable overnight express courier (charges prepaid), certified mail or registered mail, to the Customer at its address as indicated in the Registration Form, and shall be deemed received on the business day they are delivered.

11.8 No Third-Party Beneficiaries. Nothing in this Agreement, expressed or implied, shall give or be construed to give any other person or entity any legal or equitable rights hereunder.

11.9 Subcontractors. Landbell USA may at any time and from time to time (in its sole discretion), appoint subcontractors to manage its responsibilities as the PRO or provide some or all of the services to the Customer as required in this Agreement.

11.10 Time is of the Essence. Time is of the essence with respect to all obligations, dates and deadlines in this Agreement.

11.11 Force Majeure. Neither Party shall be responsible for any failure to perform under this Agreement, other than payment obligations, due to causes beyond such Party's reasonable control, including, without limitation, acts of God, war, riot, embargoes, acts of civil or military authorities, fire, floods, accidents, strikes, failure to obtain export licenses or shortages of transportation, facilities, fuel, energy, labor or materials (collectively, "**Force Majeure Events**"). Whenever a period of time is prescribed for the taking of an action by either Party, the period of time for

the performance of such action shall be extended by the number of days that the performance is actually delayed due to a Force Majeure Event; provided, however, that the delayed Party shall (i) provide the other Party written notice of such Force Majeure Event and (ii) use commercially reasonable efforts to overcome the Force Majeure Event.

11.12 Electronic Consent and Delivery. The Parties agree that this Agreement may be executed and delivered by electronic means. The Customer's act of clicking an "**I Accept**," "**Register**," or similar button on the Landbell USA website portal, after having had the opportunity to review this Agreement, shall constitute a valid and binding electronic signature and delivery of this executed Agreement. The Customer acknowledges and agrees that such electronic execution and delivery has the same legal force and effect as delivery of a handwritten signature. The Customer further waives any right to challenge the validity or enforceability of this Agreement on the basis that it was executed electronically. By clicking to accept, the Customer and the individual so clicking accept, each represents and warrants that the individual performing the action is the Authorized Representative identified in the Registration Form and possess the requisite legal authority to bind the Customer to the terms of this Agreement.

11.13 Delivery by Electronic Transmission. In addition to Section 11.12 (and not in limitation thereof), this Agreement may be executed in any number of counterparts, and any Party hereto may execute any such counterpart, each of which when executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument. This Agreement and any signed agreement entered into in connection herewith or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of facsimile or electronic transmission (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. Without limiting the foregoing, this Agreement may be executed and delivered (and shall thereafter be legally binding) by the Customer as a "clickwrap agreement" with the Customer's affirmative action (like clicking a button or checking a box) to agree to terms of this Agreement. The Customer irrevocably represents, warrants and agrees that the individual performing such affirmative action has the actual legal authority to bind the Customer to this Agreement. In the event necessary or desirable for filing or recording as an official document, each Party shall promptly deliver to the others such number of original executed copies as the others may reasonably request.

11.14 Acknowledgement. The Parties acknowledge that they have read this Agreement in its entirety and that they understand the terms and conditions set out in this Agreement. The Parties have had the opportunity to obtain independent legal advice regarding the terms of this Agreement and understands that, once signed, it is a legally binding contract.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth on the first page of this Agreement.

LANDBELL USA

By: John Hayes, President

John Hayes

CUSTOMER

By:

Name: _____

Title: _____

SCHEDULE “1”

SERVICE FEES

LANDBELL USA FEE STRUCTURE AND REPORTING SPECIFICATIONS

1. ANNUAL ADMINISTRATIVE REGISTRATION FEE

- **Amount:** **\$1,000 USD** per year, per unique Employer Identification Number (EIN) or unique tax identification number, e.g. VAT. Subject to increase as determined reasonably necessary by Landbell USA to deliver the Service below.
- **Due Date:** Due immediately upon submission of the Registration Form or this Agreement.
- **Service:** This non-refundable fee covers the Producer’s share of the PRO’s administrative and regulatory costs (including, for example, the development and maintenance of the California Producer Registry and the execution of the state-mandated Statewide Needs Assessment, as well as any follow-up thereof). But it excludes any operational costs covered by the Eco-Modulated Fees defined below.

2. ECO-MODULATED SERVICE FEES (SERVICE FEES / PARTICIPATION FEES)

Following the approval of the Stewardship Plan by CalRecycle, the Customer shall pay annual Service Fees or participation fees (the “**Eco-Modulated Fees**”), to cover the operational costs of Landbell USA related to, without limitation, collection, repair, reuse, and recycling of apparel and textile products in the State of California, based in part on the following factors:

- **Quantity:** Total weight or volume of Covered Products placed on the California market.
- **Material Category:** Differentiated rates will vary based on the recyclability and circularity of the fibers (e.g., Natural vs. Synthetic) to reflect the actual cost of collection, repair, and recycling.
- **Circular Attributes:** Potential discounts or “bonuses” for products designed for high durability, repairability, or containing post-consumer recycled content.

These fees will be determined from time to time in line with the actual operations of the PRO.

3. INITIAL REPORTING MATERIAL CATEGORIES

For the 2026 reporting cycle and the Statewide Needs Assessment, the Customer must classify their products into the following standardized categories (which shall be expanded and finalized when practicable):

Material Type Category	Sub-Category Examples
Natural Fibers	100% Cotton, Wool, Silk, Linen, Hemp
Synthetic Fibers	Polyester, Nylon, Acrylic, Spandex/Elastane
Cellulosic (Man-Made)	Rayon, Viscose, Lyocell, Acetate
Blended Fibers	Natural/Synthetic blends (e.g., 60% Cotton / 40% Polyester)
Specialty/Multilayer	Coated fabrics, leather/faux-leather, complex footwear

4. PAYMENT TERMS, SUSPENSION & TERMINATION.

- **Payment Terms:** see SECTION 6 of the Agreement.
- **Suspension and Termination:** See Section 3 of the Agreement.

5. AUDIT & DATA VERIFICATION

- **See SECTION 5.2 of the Agreement.**
- **Inaccuracy Reimbursement:** Where any information provided is not accurate, the Customer shall reimburse Landbell USA for any reasonable costs incurred as a result thereof immediately on receipt of an invoice.
- **Records Retention:** The Customer shall maintain all records related to product volume and material composition for a minimum of five (5) years.

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