"madeincolours" COLLECTIVE TRADEMARK

END-USER REGULATIONS

Article 1 - Ownership and purpose of the trademark

- 1. MADEINCOLOURS srl is the owner of the collective trademark called "madeincolours" (the TRADEMARK).
- 2. The purpose of the TRADEMARK creation and diffusion shall be:
 - a) identifying the *medium* (yarn, fabric, leather, paper, wood, etc. of which the finished article is manufactured) that has been "dyed in Europe" in full obedience with the European regulations (particularly the REACH Regulations), and promoting the use of manufacturing and transformation techniques that respect environmental protection and consumers' health;
 - b) promoting and protecting the "Made in Europe" industry/production;
 - c) establishing an effective monitoring system of the companies using the TRADEMARK;
 - d) spreading amongst and inform consumers, including through information and advertising actions, the criteria and characteristics of finished products manufactured with materials identified by the TRADEMARK;
 - e) tracing the several manufacturing stages and fully inform the final user, including in retail outlets.

Article 2 - Name and logo

1. The trademark shall consist of the "madeincolours" word and the graphic image as per annex a, which shall be an integral part of this document.



"madeincolours" - Annex A.

Article 3 - TRADEMARK licensing and use

- 1. MADEINCOLOURS srl shall grant the use of the TRADEMARK to all subjects that comply with the requirements as per article 4 of these Regulations.
- 2. The TRADEMARK can be used by those subjects that apply for it according to the terms and in obedience with the requirements indicated in article 5 below.
- 3. MADEINCOLOURS srl, in order to properly identify the standards and characteristics required to achieve a quality products, shall approve appropriate specifications for each category of product.
 - Moreover, additional appropriate specifications may be prepared in the future that include stricter and more specific standards and rules than the general ones established by the EC or domestic legislation, and contain:
 - a) the description of the quality standards established for the several categories of products;
 - b) the description of the production cycle, with the identification of the critical points of processes and the subsequent and specific control activity required;
 - c) any specific terms, if necessary, for the application of the collective Trademark.

- 4. MADEINCOLOURS srl shall use highly professional and proven reliability control organizations for the control and certification activities.
- 5. MADEINCOLOURS srl shall verify directly the proper use of the collective Trademark, including by carrying out a surveillance activity on the identified control organizations.

Article 4 - Requirements - list

- 1. The TRADEMARK shall be licensed under the following conditions:
 - a. Localization: products (PRODUCTS) must be manufactured and dyed in the European Union;
 - b. Rules: the above-mentioned manufacturing and dying must be carried out according to the European and national laws and regulations (manufacturing and dying place);
 - c. Scope: PRODUCTS shall include:
 - Paints, varnishes, lacquers
 - Paper and cardboard
 - Leather and hide
 - Wood
 - Flocks, yarns, fabrics, textile rolls, items and fabrics
 - Other mediums dyed, colored, printed or stained in the European Union
 - d. Contract: underwriting of the agreement (see Article 6 below) and compliance with these terms.
- 2. The subjects authorized to use the TRADEMARK (LICENSEES) shall be registered in a specific list (LIST), to be updated and managed directly by MADEINCOLOURS Srl or any third subjects appointed by MADEINCOLOURS Srl, which can be referred to through the www.madeincolours.eu website.

Article 5 - Method to apply for the use of the TRADEMARK

- 1. Companies that intend to use the TRADEMARK must submit an application for license and registration in the specific LIST to the address below:
 - Via Locatelli, 6 20124 Milano or by e-mail to info@madeincolours.eu
- 2. The application in the clause above must contain the following data and elements:
 - a. details of the subject applying for the Trademark license (name, address, VAT position number);
 - b. Registration Number in the Trade Register of the Chamber of Commerce;
 - c. acknowledgement of awareness of these Regulations (and the Guidelines or Specifications, if any, annexed hereto);
 - d. declaration to be in order with the safety and environmental regulations;
 - e. authorization to the processing of personal data for the purpose of registration in the LIST and the TRADEMARK institutional and promotional needs.
- 3. MADEINCOLOURS srl shall verify that, according to the Guidelines or Specifications annexed to these regulations (and any subsequent ones), the applying subject is qualified and can comply with the terms provided for by these regulations; MADEINCOLOURS srl shall carry out any investigation activity it may deem to be suitable, including by carrying out checks on the applicant's company, and decide on the application within 30 days after it is submitted.
- 4. When the investigation is completed, MADEINCOLOURS srl shall notify the applicant of the result of the application examination, which might imply:
 - a. the acceptance and consequent registration of the applicant to the LIST of licensees and the assignment of the relevant Registration Number;
 - b. the rejection of the registration application;

- c. the postponement to a supplementary investigation for the acquisition of missing or additional assessment data and elements.
- 5. The LICENSEES registered in the LIST shall receive the appropriate Certificate of use of the TRADEMARK (CERTIFICATE) and a sample stamp bearing the word and/or figurative TRADEMARK as per article 2.
- 6. The license and/or registration in the LIST shall have no time limit.

Article 6 - Contract - use of the TRADEMARK

- 1. Any subjects that intend to use the collective Trademark shall enter an agreement with MADEINCOLOURS srl, pay the annual fee provided for therein, certify they are in possession of the qualifications required in Article 4, and accept these end-user regulations of the Trademark and the control regulations of the control organizations.
- 2. LICENSEES can use the TRADEMARK according to the terms established in these Regulations and shall have the power to also reproduce it on: letterhead and matching envelopes, business cards, catalogs, folders, TV, radio and print advertising, plates and signs for sponsorship linked to the product. The TRADEMARK can be applied to products dyed in Europe, in full observance of the current rules and these Regulations.
- 3. Own marks, trademarks or business names can neither use nor include the TRADEMARK or any element thereof.
- 4. The end-user license and rights arising from it cannot be transferred, except in case of business transfer.

Article 7 - Management and control

- 1. MADEINCOLOURS srl shall manage the LICENSEE's personal data: name and surname in case of an individual concern or business name in case of a company, registration number in the Trade Register of the Chamber of Commerce, Fiscal Code and VAT Position Number, date of issue of the end-user license, business category and type of product.
- 2. MADEINCOLOURS srl shall carry out investigation and checks aimed at verifying the proper use of the trademark and the observance of these regulations, as well as the authenticity and exhaustiveness of the declarations provided by the members registered in the LIST.
- 3. MADEINCOLOURS srl representatives can access the licensees' premises at any time of the opening hours without being obliged to give any advance notice.
- 4. Such representatives shall report the outcome of the above-mentioned controls to MADEINCOLOURS srl also for the purpose of taking the measures indicated in articles 10 and 11 below.

Article 8 - LICENSEES' obligations

- 1. LICENSEES shall commit to comply with the terms of use of the collective Trademark provided for by these Regulations, and also to:
 - a. not change the logo in any way and neither register nor use any identical symbol or such as to create confusion or risk of association with the logo;
 - b. not take any behavior that might prejudice the TRADEMARK reputation;
 - c. be responsible with MADEINCOLOURS srl for any abuse of the TRADEMARK or nonconformity pursuant to articles 10, 11, 12 below;
 - d. send, on a yearly basis, all information and support documentation, if any, that may be held useful by MADEINCOLOURS srl to verify the proper use of the TRADEMARK by the LICENSEE;
 - e. guarantee they are ready to proactively collaborate with the implementation of the TRADEMARK enhancement collective actions:

- f. put at the disposal of the control organizations all documentation that is held by such organizations to be useful to check the proper use of the TRADEMARK;
- g. should the TRADEMARK be used in the LICENSEE's website, a link must be included to the www.madeincolours.eu homepage or any additional website indicated by MADEINCOLOURS srl.
- 2. LICENSEES must make sure their employees, collaborators, etc. comply with these regulations.

Article 9 - Fee

1. Each licensee must pay MADEINCOLOURS srl a yearly fee for the use of the TRADEMARK. MADEINCOLOURS srl shall undertake to invest at least 60% of the revenues from such fees for promotional and advertising actions of the TRADEMARK on a European level.

Article 10 - Breaches - Penalties

- 1. Nonconformities of licensees can be:
 - a. LIGHT: when they do not prejudice the public image of the Trademark.
 - b. SERIOUS: when they do prejudice the public image of the Trademark.
- 2. LIGHT nonconformities may entail: written notice; warning; censure. SERIOUS nonconformities may entail, subject in any case to any damages, (i) suspension or (ii) cancellation.
 - (i) The suspension shall be applicable for a fixed term not longer than one year.

The suspension must be applied in any case whenever:

- a. an improper use of the TRADEMARK has been found, such as to be prejudicial for the public image of the TRADEMARK;
- b. no sufficient corrective actions have been taken following a warning;
- c. a precautionary measure has been taken by the Judiciary.

The suspension and relevant motivation shall be notified by MADEINCOLOURS srl to the LICENSEE by registered letter and/or registered e-mail, which must indicate the firm and conditions under which it can be cancelled.

Suspension can be cancelled beforehand, should it be verified that the LICENSEE has complied with the established terms.

- (ii) The cancellation shall be resolved by MADEINCOLOURS srl in connection with any LICENSEE that:
 - a) fails to pay MADEINCOLOURS srl the amounts due or to fulfill the other obligations taken with MADEINCOLOURS srl;
 - b) has not carried out sufficient corrective actions after a suspension;
 - c) has been already suspended twice and a third suspension has been proposed and inflicted:
 - d) takes actions that cause, in any way, material or moral damage to MADEINCOLOURS srl or any other involved subjects;
 - e) uses the Trademark illegally or fraudulently;
 - f) is subject to bankruptcy or winding up of its activity.

The cancellation implies the cancellation from the website and the LIST.

- 3. The license and/or registration in the LIST can be also cancelled by MADEINCOLOURS srl in case of loss of any one of the requirements as per article 4.1 above.
 - Should one of the above-mentioned situations occur, MADEINCOLOURS srl shall send a warning by registered letter with advice of receipt and/or registered e-mail in order for remedy be taken within 15 days; should no remedy be taken within the above-mentioned term,

- MADEINCOLOURS srl shall cancel the TRADEMARK end-user license with all relevant consequences.
- 4. Measures containing penalties and relevant motivations shall be notified to the specific LICENSEES by registered letter and/or registered e-mail. Suspensions and cancellations shall be registered in a computer-based register and published on the www.madeincolours.eu website.

Article 11 - Withdrawal - cancellation - action for restitution of sums

- 1. The LICENSEE can at any time withdraw from using the TRADEMARK and being in the LIST, by explicit written notice to be sent to MADEINCOLOURS Srl by registered letter with advice of receipt and/or registered e-mail. The withdrawal shall become effective 6 months after the receipt of the notice.
- 2. The withdrawal, suspension and/or cancellation shall imply in no case the right to the restitution of the sums paid by the LICENSEE and/or the cancellation of the LICENSEE's obligation to pay any amount that may still be due based on the commitments taken by it.

Article 12 - Collaboration

- 1. MADEINCOLOURS srl can take advantage of any third parties' collaboration to spread the Trademark and plan specific promotional and enhancement actions in Italy and abroad.
- 2. MADEINCOLOURS srl shall require, in any case, the commitment of every company beneficiary of the Trademark to proactively participate in the enhancement actions that will be carried out (purchase of software, purchase of labels, etc.).

Article 13 - Law and competent Court

- 1. MADEINCOLOURS srl, within the mandatory limits of the law, shall be not responsible with the licensee in the cases listed here below:
 - a. in case of nullity of the TRADEMARK;
 - b. in case of invalidity or inefficacy, whether full or partial, of the TRADEMARK;
 - c. in case of infringement of the TRADEMARK rights or any rights of third parties linked to the use of the trademark.
- 2. The Italian law shall be applicable to, and the Section Specialized in Industrial and Intellectual Property of the Court of Milan shall have exclusive jurisdiction on, any litigation that might arise among the parties in connection with the validity, construction, execution and termination of these Regulations.