

SEAQUAL

License number: 19100903IT

TRADEMARK & COPYRIGHT LICENSE AGREEMENT

(for Textile Application)

This TRADEMARK AND COPYRIGHT LICENSE AGREEMENT (“the Agreement”) made this day of 12/12/2019 (the “Effective Date”), between:

LICENSOR:

Name: SEAQUAL 4U S.L. (hereinafter “SEAQUAL”)

A company organized and existing under the laws of Spain.

Principal place of business: C/ Josep Hereu i Aulet 8, 2nd Floor, 17160 Anglès, Girona, Spain

And

LICENSEE:

Name: VILLANI LEONELLO DI GIANNI E MARTA VILLANI SNC

A company organized and existing under the laws of: Italy

Trading as: VILLANI LEONELLO

Principal place of business:

VIA LIMITESE 158,VINCI 50059

PREAMBLE

SEAQUAL is an Initiative promoting and supporting Ocean Cleanups. The main goal of the SEAQUAL Initiative is to fight and raise awareness to the problem of marine litter. The SEAQUAL Model is based on 4 Pillars:

- 1- Retrieving, collecting and sorting marine litter by engaging NGOs, Fishermen, Local Communities, Authorities and Waste Management companies;
- 2- Engaging industries, in collaboration with recyclers, manufacturers and brands, to Upcycle Marine Plastic into everyday products, and specifically (as a starting point) into a range of premium yarns used for textile applications;
- 3- Communicating: informing industries, raising awareness, educating and sensitizing people to the Plastic Pollution issue;

4- Inspiring consumers and communities: it is essential that buyers are aware that the product contains Upcycled Marine Plastic and that they are supporting the SEAQUAL Initiative to reduce the impact of marine litter.

SEAQUAL is not a FINAL PRODUCT brand. FINAL PRODUCTS using Upcycled Marine Plastic as an ingredient shall be put in the market under the manufacturer's brand. Parties involved in the supply chain, such as manufacturers, distributors and brands shall, however, mention the SEAQUAL Initiative in their marketing materials, such as web pages, social media, media press, merchandising tools and product hangtags. Taking all the above into account, the purpose of this Agreement is to regulate the conditions of the collaboration between the SEAQUAL Initiative and manufacturers, brands, distributors and retailers; and particularly under which conditions they can use the SEAQUAL trademark and the marketing and information materials created by SEAQUAL, with the purpose of maximizing the impact of the SEAQUAL Initiative.

In consideration of the mutual rights and obligations of the parties herein, LICENSOR and LICENSEE agree to the following trademark licensing terms and conditions:

1. DEFINITIONS

- a) **SEAQUAL Trademark:** a trademark consisting of the term SEAQUAL in word or together with figurative elements; either filed or registered in any jurisdiction at the date of the Agreement, or to be filed or registered subsequently.

The SEAQUAL registered trademarks at the date of this Agreement are:

- European Union Trademark No. 16.008.501 and International Trademark no. 1334598 designating Japan, China and the United States of America; both of them designating the following goods:
Class 23: Yarns and threads for textile use.
Class 24: Textile goods not included in other classes (not including fabrics); Bed blankets; Tablecloths; Piece goods made of non-woven plastic material; Piece goods made of woven plastic material.
- Mexican Trademark No. 1803860, in class 23: Yarns for textile use.

Any further registrations of the SEAQUAL Trademark shall be communicated to LICENSEE.

- b) **SEAQUAL Copyright:** copyrighted material owned by SEAQUAL 4U S.L. including visual and written marketing and communication materials and platforms including logos, tag lines, videos, photos, digital files for hangtags and the links www.seaqual.org & www.seaqual.com
- c) **SEAQUAL YARN:** yarns containing Upcycled Marine Plastic (polymer recycled from marine plastic litter and processed at recycling plants approved by LICENSOR).
- d) **TEXTILES:** any textile produced directly, in whole or in part, from SEAQUAL YARN. For the purpose of clarity this includes all textiles produced directly from yarn, for example fabrics, seamless garments, cords and straps. It does not include textile goods made from fabrics, such as clothing.
- e) **FINAL PRODUCT:** any finished product ready for retail that contains SEAQUAL YARN.
- f) **AFFILIATE:** any company, corporation, or business in which LICENSEE owns or

controls at least fifty percent (50%) of the voting stock or other ownership. Unless otherwise specified, the term LICENSEE includes AFFILIATES.

2. GRANTS

LICENSOR hereby grants LICENSEE a non-exclusive, non-transferable, revocable license to the SEAQUAL Trademark and to the SEAQUAL Copyright according to the SEAQUAL Brand Guidelines.

All rights not specifically granted to LICENSEE are reserved to LICENSOR. All use of the Trademarks shall inure to benefit of LICENSOR.

3. FIELD OF USE

This Agreement grants LICENSEE permission to purchase SEAQUAL YARN and to produce, use, buy and sell goods containing SEAQUAL YARN in all product and segment categories with the exception of mattress ticking, mattress covers, and any fabric involved in the manufacture of mattresses.

4. ROYALTY FREE

This LICENSE is granted free of charge and without royalties.

5. LICENSEE OBLIGATIONS

Licensee undertakes to:

Traceability & Certification

- a) Only buy SEAQUAL YARN, TEXTILES or FINAL PRODUCTS from SEAQUAL licensees.
- b) Only sell SEAQUAL YARN, TEXTILES or FINAL PRODUCT to SEAQUAL licensees. Regarding FINAL PRODUCTS, they may be sold to distributors, retailers and end consumers who are not licensees provided that the FINAL PRODUCT bought and/or sold is clearly branded with the name of a SEAQUAL licensee.
- c) (Only applicable to TEXTILE manufacturers). All newly developed TEXTILES containing SEAQUAL YARNS must be submitted by the manufacturer to a LICENSOR-approved laboratory for the purposes of obtaining a 'SEAQUAL Certification Number'. In the case of any modification to the construction, composition or processing of an already certified TEXTILE, LICENSEE will resubmit it for a new certification. Goods made from SEAQUAL-certified TEXTILES do not need to be submitted for certification.
- d) Ensure that the 'SEAQUAL Certification Number' is always communicated to their customers either by clear labelling on the TEXTILE or FINAL PRODUCT or by passing the number to the customer in writing. This is with the exception of a LICENSEE selling to their distributors, retailers or end consumers in which case the decision to communicate the 'SEAQUAL Certification Number' is at the discretion of the LICENSEE.
- e) Only purchase TEXTILES and FINAL PRODUCT if they are accompanied by a 'SEAQUAL Certification Number'. This is not applicable to distributors, retailers and end consumers.

Communication

- f) Use the SEAQUAL Trademark and SEAQUAL Copyright according to the Brand Guidelines in force at any given time. The Brand Guidelines currently in force are handed over to the LICENSEE prior to signature of this Agreement. Any possible amendments to the Brand Guidelines shall be sent immediately to LICENSEE.
- g) When making reference to the SEAQUAL Initiative in their public communication, marketing and advertising, ensure that the information provided is correct, accurate and in agreement with the data and information provided by LICENSOR. LICENSOR reserves the right to request that any communication, marketing and/or advertising that does not meet these requirements is corrected immediately. LICENSEE may use pre-approved marketing materials or must have his own materials approved at digital@seaqual.com
- h) To communicate the SEAQUAL Initiative using the appropriate communication channels (marketing materials, webpage, social media, hangtags etc.) in accordance with the Brand Guidelines. It is not permitted to communicate about products that contain SEAQUAL™ YARN without communicating the SEAQUAL™ Initiative. In accordance with the Brand Guidelines, LICENSEE is not permitted to create a marketing 'story' about the use of Upcycled Marine Plastic, or the ocean cleaning programs that retrieve the marine litter without making specific reference to the SEAQUAL™ Initiative.

Other

- i) (Only applicable to TEXTILE and FINAL PRODUCT manufacturers). LICENSEE must not combine SEAQUAL YARN in any TEXTILE or FINAL PRODUCT with any other polyester fiber that contains recycled marine waste.
- j) LICENSEE shall not advertise SEAQUAL YARN jointly with any other polyester fiber that contains recycled marine waste.
- k) LICENSEE agrees to allow LICENSOR to publicly list LICENSEE as a SEAQUAL Licensee.
- l) (Only applicable to TEXTILE manufacturers). LICENSEES must ensure that TEXTILES made with SEAQUAL YARN are certified as Oeko-tex 100 or Bluesign or similar internationally recognized certification.

6. LICENSOR OBLIGATIONS

Licensor undertakes to:

- a) Give LICENSEE access to the use of the SEAQUAL Trademark according to the Brand Guidelines.
- b) Give LICENSEE access to and permit the usage of SEAQUAL COPYRIGHT materials according to the Brand Guidelines.
- c) To maintain all TEXTILE samples submitted to any SEAQUAL-approved laboratory as confidential.

7. TEXTILE CERTIFICATION (Only applicable to textile manufacturers)

- a) In order to obtain a 'SEAQUAL Certification Number' the minimum content requirement of SEAQUAL YARN is 20% by weight, except in denim which is 15% by weight. In the case of blended yarns, only the polyester containing Upcycled Marine Plastic will be taken into account. Coatings are not included when calculating the percentage by weight.
- b) SEAQUAL YARN or TEXTILES should not be coated in PVC.
- c) If SEAQUAL YARN is to be combined with other yarns, it is strongly recommended to use recycled or organic yarns.

8. FINAL PRODUCT LIMITATION IN CASE OF TEXTILES

- a) The minimum SEAQUAL YARN content in any FINAL PRODUCT is 20% by weight of the textile portion, except for denim where the minimum requirement is 15%. In the case of blended yarns, only the polyester containing Upcycled Marine Plastic will be taken into account. Non-textile parts including coatings are not included when calculating the percentage by weight.

9. STANDARDS AND INSPECTION

- a) LICENSEE is obliged to report all sales and purchases of TEXTILES and FINAL PRODUCTS to SEAQUAL™ by providing the following information via the online 'Material Traceability Report' found at www.SEAQUAL.com.
- i. The date of the transaction.
 - ii. the SEAQUAL licensee number of the supplier or customer.
 - iii. the quantity of TEXTILE (number of meters or yards) or FINAL PRODUCT (number of items) bought or sold. Sales to end consumers do not need to be reported.
 - iv. the 'SEAQUAL Certification Number' for each TEXTILE or FINAL PRODUCT bought or sold.

LICENSEE can report sales and purchases individually at the time of the transaction or make a quarterly report no later than thirty (30) days after January 1st, April 1st, July 1st and October 1st of each calendar year. In the quarterly report the LICENSEE shall provide LICENSOR a report detailing all orders the LICENSEE has placed or fulfilled for TEXTILES or FINAL PRODUCTS in the most recent (3) month period

All information reported will be treated as confidential.

Such report shall be certified as correct by an officer of LICENSEE.

- b) LICENSEE shall keep accurate records (together with supporting documentation) of the products made, used or sold under this Agreement. They shall be available during normal business hours for examination by an accountant selected by LICENSOR, for the sole purpose of verifying reports. Such examination by LICENSOR's accountant shall be at its expense.

10. INFRINGEMENT

- a) LICENSEE shall promptly notify LICENSOR in writing of any manufacture, distribution, sale or advertisement of any product or service of which it becomes aware that may constitute an infringement or unauthorized use of the SEAQUAL Trademark or the SEAQUAL Copyright.
- b) LICENSOR shall have the sole right to determine the appropriate action for any infringement or unauthorized use of the Trademarks. LICENSEE shall provide LICENSOR with such reasonable assistance at LICENSOR's sole expense including, but not limited to, any information required for litigation purposes. LICENSEE shall not have any rights or claims against LICENSOR for damages or other result arising from any determination by LICENSOR to act or not to act with respect to any alleged infringement by others or unauthorized use by others, and any such determination by LICENSOR shall not affect the validity or enforceability of this Agreement. Any

damages and/or settlements recovered or arising from any action or proceeding shall belong exclusively to LICENSOR.

- c) LICENSOR warrants that no legal action or threat of legal action exists at the date of entering this Agreement. However, LICENSOR does not warrant that such actions will not exist in the future. In such an event, if the action or threat of legal action is directed against LICENSEE, LICENSEE shall immediately inform LICENSOR. LICENSEE shall take all appropriate action to deal with the matter at its own costs, with the assistance of LICENSOR. LICENSOR shall not indemnify LICENSEE, its affiliates (or any permitted assignee) from any claims, losses, damages, costs (including legal fees), and expenses resulting from any claim that the use of the SEAQUAL Trademark or the SEAQUAL Copyright infringes or misappropriates the intellectual property rights of any third party.
- d) LICENSEE shall protect, defend, indemnify and hold harmless LICENSOR, its shareholders, directors, officers, and employees from and against any and all claims, demands, losses, suits, liabilities or expenses for property damage, injury or death of persons resulting from or arising out of the negligence or intentional or unintentional wrongful acts of LICENSEE, its subcontractors (and their employees and agents), or its invitees, during or in connection with the use of the LICENSEE's products.

11. CONFIDENTIALITY

Each party ("Receiving Party") may obtain information about the other party's business and technology that the other party ("Disclosing Party") considers to be confidential. In order to promote the free exchange of information, each party agrees to maintain the information that it receives from the other party in confidence and not disclose to any third party for three (3) years after the expiration, termination or cancellation of this Agreement. This obligation of confidentiality, however, shall not apply to information that: (i.) as shown by reasonably documented proof, was in the receiving Party's possession prior to the disclosure by the disclosure Party; (ii.) is known to the public at the time of its disclosure or becomes known to the public after the disclosure through no fault of the Receiving Party; (iii.) the Receiving Party can show was in its possession after the time of the disclosure from a third party not under an obligation of secrecy to the Disclosing Party; (iv.) is required to be disclosed by law.

12. TERM AND TERMINATION

- a) This Agreement is for a term of two years. However, either party may terminate it at any time upon sixty (60) days' prior written notice. In the event of a breach of the Agreement by the other party, the Agreement may be terminated immediately and without prior written notice by the injured party. Once the two-year term has expired without the Agreement having been terminated by any party, the Agreement shall be automatically renewed for successive two-year periods. Upon the termination or expiration of the Agreement, LICENSEE must discontinue all use of the Trademarks and advertising materials.
- b) Upon the termination, expiration or cancellation of this Agreement, unless in the event that the termination of this Agreement is based on a material breach by LICENSEE, the latter should fulfil open orders and may continue distribution and sale of products bearing the SEAQUAL Trademark or SEAQUAL Copyright which had been manufactured prior to the termination, expiration or cancellation of this Agreement until full exhaustion of the stock of such products but in any case within 6 months after termination or expiration of the Agreement.

13. CHOICE OF LAW AND JURISDICTION

This Agreement is acknowledged to have been made in and shall be constructed in accordance with the laws of Spain. Any actions under this Agreement shall be brought only in the courts of Barcelona (Spain). LICENSEE hereby submits to the exclusive jurisdiction of such courts.

14. RECORDATION OF LICENSE

LICENSOR will cooperate with LICENSEE to register this agreement with the relevant trademark Office at LICENSEE's sole expense.

15. COMPLETE CONTRACT

This Agreement contains the entire contract and understanding between the parties regarding the subject matter. This Agreement supersedes all previous documents. No modification shall be binding unless it is in writing and signed by the parties. This Agreement may be executed in one or more counterparts all of which shall constitute a fully executed agreement and each of which shall constitute the fully binding act of the party signing.

16. NON – ASSIGNMENT.

Neither this Agreement nor the rights or obligations herein can be assigned or transferred by LICENSEE, in whole or in part, voluntarily or involuntarily or by operation of law without the prior written consent of LICENSOR.

Once the Agreement has been formally terminated, it will still bind the parties until all pending issues have been resolved (for instance, regarding sale of inventory.)

Nothing in this Agreement shall be construed to make LICENSEE an agent or partner with LICENSOR or to permit LICENSEE to bind LICENSOR in any manner.

The parties have executed this Agreement in duplicate by their duly authorized representatives as of the Effective Date.

LICENSOR

Signature:

DocuSigned by:
Michel Chtepa
34A0BD4083DF4AB...

Printed Name: Michel Chtepa

Title: Managing Director

LICENSEE

Signature:

DocuSigned by:
Gianni Villani
01E154865246402...

Printed Name: GIANNI VILLANI

Title: OWNER