

SUPPLY AND PURCHASE AGREEMENT

This Supply and Purchase Agreement (“**Agreement**”) is made and entered into by and between:

ITADISH TRADING, a company duly organized and existing under Philippine laws, with principal office at MS 201 Corinthian Executive Regency, ADB Avenue, Ortigas Center, San Antonio, Pasig City 1600, Philippines, represented by its Attorney-in-fact, Phenny Charie Castillo, hereinafter referred to as the “**Supplier**”.

- and -

CELESTIAL COSMETICS, INC., a corporation duly organized and existing under Philippines laws, with address at Unit 708 7th Floor High Street South Corporate Plaza Tower 1, 26th Street corner 9th Avenue, Bonifacio Global City, Taguig City, Philippines, represented by its Marketing Manager, Mark Isaiah A. Hora, hereinafter referred to as the “**Client**”;

(The **Supplier** and the **Client** are hereinafter referred to individually as “**Party**” and collectively as “**Parties**”)

RECITALS

WHEREAS, the Client is engaged in the sale and distribution of cosmetics, skin care, and other beauty products;

WHEREAS, the Client, in the course of its business, requires the supply of a vending machine as specified in **Annex A** hereof (the “**Unit**”);

WHEREAS, the Supplier represents and warrants that it has the requisite permits and licenses, expertise, facilities, resources and personnel to supply the Unit and has offered to supply, sell and deliver the Unit required by the Client as herein specified;

WHEREAS, the Client has accepted the offer of the Supplier subject to the terms and conditions hereunder set forth;

NOW, THEREFORE, for and in consideration of the foregoing premises, the Parties hereto have agreed as follows:

SECTION 1 DEFINITION OF TERMS

1.1 **Defined Terms.** Unless the context otherwise requires, the following terms shall have the respective meanings ascribed to each of them:

“**Affiliate**” means any Person directly or indirectly (through one or more intermediaries) Controlling, Controlled by, or under common Control with another Person. For this purpose, “**Person**” means a partnership, joint venture, corporation, trust, and any other entity or unincorporated organization; and “**Control**” and any form thereof such as “**Controlled**” and “**Controlling**” mean the possession by one Person, directly or indirectly (through one or more intermediaries) of the power to direct or cause the direction of the management or policies of another Person through the ownership of more than fifty percent (50%) of the voting stock of such Person.

“**Confidential Information**” shall have the meaning ascribed in Section 8.

“**Fee**” shall refer to the compensation stated in Annex A to be paid by the Client to the Supplier.

“**Force Majeure**” shall mean any event which could not have been foreseen or which were inevitable and beyond the control of the party invoking it, without any accompanying fault or negligence of the party invoking it as an excuse for the delay or non-performance of its obligations hereunder, which prevent or materially affect the ability of the said party to comply with any of its obligations under this Agreement, and shall include, but not be limited, to the following:

- (a) Acts of war or the public enemy, whether or not war be declared.
- (b) Public disorders, insurrection, rebellion, sabotage, or violent demonstration.
- (c) Fires, earthquakes, volcanic eruption, or other destructive natural calamities.
- (d) Pandemics and epidemics.
- (d) Subsequently promulgated laws, decrees, executive orders, and other governmental rules and regulations of the Philippines, and issuance of any order or decision from a court or governmental agency or body.
- (e) Passage of local ordinance or any unreasonable delay by any regulatory agency or government entity that effectively prevents either party from performing any of its obligations under this Agreement.
- (f) Any other event which under Philippine law is defined as force majeure and/or fortuitous event.

For the avoidance of doubt, the following shall not, by themselves, constitute *Force Majeure*, unless the same have been caused *by Force Majeure*: (1) any event which is caused by the negligence or intentional action of a party or such party’s agents and/or employees; (2) any act which a diligent person could reasonably have been expected to both (i) take into account at the time of execution of this Agreement and (ii) avoid or overcome in the carrying out of its obligations hereunder; or (3) insufficiency of funds or failure to make any payment due under this Agreement.

“**Unit**” means the Unit as stated in Annex A.

“**Term**” shall refer to the term of this Agreement as provided in Annex A.

SECTION 2 THE VENDING MACHINE

- 2.1 **Nature of the Agreement.** The Supplier hereby agrees on a non-exclusive basis, to supply the Client the Unit in accordance with the Unit specifications as indicated in Annexes A (Pricing and Specifications) and B (Essential Provisions) of this Agreement.
- 2.2 **Performance Period.** The Supplier shall supply the Unit within the Delivery Date specified in Annex B hereof. No extension of contract time whatsoever shall be granted to the Supplier due to ordinary unfavorable weather conditions, non-availability of equipment or materials to be furnished by it, labor problems and such causes for which the Client is not directly responsible. However, extension of time shall be granted for delays caused by major natural calamities, such as earthquake, typhoon, and the like, which result in unworkable conditions, as well as delays arising from customs clearance, government actions, port congestion, shipping interruptions,



regulatory approvals, import/export restrictions, or other causes beyond the reasonable control of the Supplier, subject to the provisions of Section 3.

2.3 **Production Timeline and Client Dependencies.** The Parties acknowledge and agree that the standard delivery period of sixty (60) days is based on the following estimated operational timeline:

- (a) Twenty-five (25) days for production and assembly;
- (b) Fourteen (14) days for international shipping, warehouse handling, and inland transportation; and
- (c) Twenty-one (21) days for customs clearance and regulatory processing.

The Client shall submit to the Supplier the following required specifications:

- (a) Final tray configuration, within two (2) calendar days from the date of signing of this Agreement; and
- (b) Final sticker design and artwork, within seven (7) calendar days from the date of signing of this Agreement.

The Parties acknowledge that the Supplier's production, shipping, and delivery schedule considers the date of submission of the specifications above and the timely receipt of payments in accordance with Annex B. The Supplier shall not be liable for any delay in delivery, nor shall any penalties, liquidated damages, or claims, to the extent such delay is caused solely, proximately, and directly by the Client's failure to provide timely specifications, approvals, or required information, or remit any required payments, when due, within the periods provided in Annex B ("***Client Delay(s)***").

Within three (3) calendar days from a claimed Client Delay, the Supplier shall, upon written notice to the Client, extend the Delivery Date by the same number of days as the delay incurred, plus any additional time for production adjustments, manufacturing rescheduling, shipping coordination, and regulatory processing, to the extent clearly, solely and directly attributable to the Client Delay. The computation of the additional period shall be outlined in such written notice, together with supporting documentation and explanation on the impact of the Client Delay to the production and shipping timeline.

The Client reserves the right to dispute any claimed extension within five (5) business days from receipt of notice. Any adjustment to the Delivery Date due to payment delay shall be limited strictly to the period of actual non-payment and shall exclude internal Supplier inefficiencies, fault, and delay and such other shipping delays unrelated to payment timing.

Any attendant Supplier production inefficiencies, internal Supplier issues, shipping delays unrelated and not attributable to Client, customs congestion or logistics rescheduling not caused by Client; and other similar delays shall not entitle the Supplier to any extension under this Section.

SECTION 3 TERMINATION

3.1 **Right to Terminate.** The Parties shall have the right to terminate this Agreement with immediate effect in any of the following cases:

- (a) Breach of any provision of this Agreement and such breach is not remedied within fifteen (15) days from receipt of written demand or Notice of Breach;



- (b) Any proceeding or arrangement relating to, or in the nature of, a bankruptcy, insolvency, or assignment for the benefit of creditors has been instituted by or against a Party, which proceeding or arrangement is not dismissed or discontinued within fifteen (15) days after the institution of such proceeding or arrangement;
- (c) Either Party assigns its properties for the benefit of; or a receiver, liquidator, manager, trustee or like person has been appointed in respect of any material part of the business, assets or properties; or the financial position of a Party has significantly deteriorated, which deterioration would likely affect the its ability to meet its obligations under this Agreement;
- (d) By the Client, in case of a clear finding of misrepresentation by the Supplier as to any matter covered by this Agreement or failure by the Supplier to fulfill any warranty or covenant under this Agreement;
- (e) By the Client, in case of a complaint duly filed by the Supplier against the Client before any administrative, quasi-judicial, or judicial bodies or tribunals. Without limiting the generality of the foregoing, it is understood that the Client has the right to terminate in case the Supplier fails to comply with procedural and substantial matters related to labor laws and issuances;
- (f) By the Client, in case of a clear finding of violation by the Supplier of all laws and regulations applicable to it, the Services and this Agreement;
- (g) Cessation or winding up of business;
- (h) *Force Majeure* and such event continues for thirty (30) consecutive days;
- (i) By the Client, in case of default or breach of contract with any other person or entity who or which is affiliated with the Client whether by ownership, management, or otherwise; and
- (j) The Supplier shall be given fifteen (15) days prior written notice and opportunity to cure any alleged breach before termination becomes effective. The Supplier shall have the same termination rights as the Client in the event of material breach, insolvency, or violation of applicable laws by the Client. In the event of termination not arising from the Supplier's material breach, the Client shall compensate the Supplier for all completed work, committed costs, and reasonable profit up to the effective date of termination.

3.2 **Manner of Delivery.** The Unit shall be delivered to the address specified by the Client, with all delivery expenses borne by the Supplier. Delivery obligations under this Agreement pertain strictly to the hardware machine only. Activation and commissioning of any cashless payment system shall not form part of the hardware delivery obligation, and the Client shall allow a minimum of one (1) week for payment gateway activation and integration, plus an additional two (2) weeks as a commissioning and testing window. The Unit shall be delivered directly from the port customs warehouse, and upon delivery, the Supplier shall be entitled to the full commissioning period to inspect, install, configure, and test the Unit to ensure proper operation and confirm that no internal damage occurred during shipping. Formal acceptance shall occur only upon written confirmation by the Client after completion of the inspection and commissioning process. Delivery, physical receipt, installation, or use of the Unit shall not constitute acceptance. Should the Client reject the Unit for valid and documented reasons, the same shall be returned to the Supplier or its representatives, subject to Section 5.3 hereof. The Supplier shall bear the risk of loss or damage to the Unit until formal written acceptance by the Client, unless such loss or damage is caused solely and directly by the fault or gross negligence of

the Client.

- 3.3 **Liquidated Damages.** The Parties agree that time is of the essence for this Agreement and the contractual remedies herein stipulated in favor of the Client shall be strictly construed against the Supplier and in favor of the Client. If the Supplier fails to deliver, due to its own fault or negligence, the Unit within the time period specified in Annex B, the Client may, at its option, and without prejudice to any other rights and remedies, demand full refund of all payments made, or charge or deduct from the total Purchase Price stipulated in this Agreement an amount of 1.5% of the price of such Unit for each week of delay as liquidated damages. In addition, the Client shall be entitled to withhold any payments due and collect further damages which may reasonably be attributed to the delay, failure, or refusal of the Supplier to comply with its obligations hereunder.

Liquidated damages shall not apply to any delay caused solely by:

- (a) undisputed Client Delays
- (b) documented customs processing delays; or
- (c) shipping delays, force majeure, and other delays purely beyond Supplier control.

- 3.4 **Purchase from Other Sources.** The Parties agree that the Client shall have the right, at its sole option, to obtain the Unit from other sources or Suppliers. In the event that the Client exercises its rights under this Section due to delay, failure or refusal on the part of the Supplier to comply with its obligations under this Agreement, the Supplier agrees that it shall indemnify the Client, upon demand, for any and all costs or expenses that may be incurred by the latter in obtaining such Unit from other sources or Suppliers, unless such delay, failure, or refusal of the Supplier to comply with its delivery commitments is due to *Force Majeure* and the Client is duly notified thereof in accordance with Section 7 hereof.

3.5 **Ownership and Risk of Loss.** The Parties acknowledge and agree that title to the Unit shall exclusively vest in **Celestial Cosmetics, Inc.** and the Supplier shall cease to have ownership rights, title, or interest in the vending machines upon delivery and acceptance by the Client of the Unit. Notwithstanding the foregoing, risk of loss or damage to the Unit shall be borne by the Supplier and its personnel during transit, installation and until acceptance by the Client, as well as during the conduct of repair, replacement, and other after-sales warranty works by or under the supervision of, the Supplier.

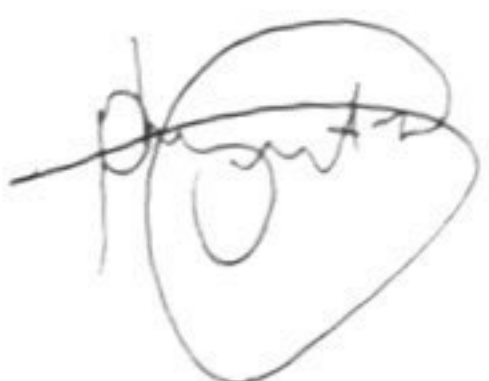
- 3.6 **Invalid Cancellation After Production Commencement**

The Parties acknowledge and agree that upon signing of this Agreement and commencement of production, the Supplier shall allocate manufacturing resources, materials, labor, logistics scheduling, and operational capacity specifically for the Unit, and the Client correspondingly allocates capital, marketing resources, launch scheduling commitments, and may enter into other commercial contracts related to this Agreement.

In the event that either Party cancels, terminates, rescinds, or withdraws from this Agreement other than due to the grounds specified in Section 3.1 or as allowed under this Agreement and under applicable laws after production has been confirmed and acknowledged by both Parties in writing to have already commenced, the cancelling Party shall pay the other Party a Cancellation Fee equivalent to thirty percent (30%) of the total Purchase Price.

SECTION 4 FEES AND TAXES

- 4.1 **Fees.** The Client shall pay to the Supplier the Fees equivalent to the amounts and in accordance with the payment schedule indicated in **Annex B**.



- 4.2 **Taxes.** Any income tax due on the receipt of the Fees by the Supplier shall be for the account of the Supplier. However, the payment of the Fees shall be subject to withholding tax to be withheld by the Client. The Client shall remit the taxes withheld directly to the Bureau of Internal Revenue and shall indicate in the creditable withholding tax return to be filed with the latter that the taxes being withheld are to be credited to the Supplier.
- 4.3 **Official Receipt and Certificate of Creditable Tax Withheld at Source.** The Supplier shall issue the appropriate Official Receipt within five (5) days upon the receipt of payment from the Client. The Client shall likewise submit to the Supplier the Certificate of Creditable Tax Withheld at Source (BIR Form 2307) to enable the Supplier to claim a tax credit within five (5) business days after payment thereof.
- 4.4 **Buyer's Compliance Responsibilities.** Upon delivery and acceptance of the Unit, and during the operation of the Unit for revenue-generating purposes, the Buyer shall bear the responsibility for securing and maintaining all required business permits, licenses, registrations, and governmental approvals, filing all sales-related and tax documentation, and ensuring full compliance with all applicable laws, rules, and regulations of the Philippines in connection with the ownership, operation, and commercial use of the Unit.

SECTION 5 OBLIGATIONS OF THE SUPPLIER

- 5.1 **Additional Unit/Services.** In case the Client requires additional units or services supplemental to those described in Annexes A and B hereof, the Parties shall agree on the appropriate adjustments in the Unit and Fees with the Supplier through collateral or supplemental agreements.
- 5.2 **The Supplier's Duties.**
- (a) The Supplier shall deliver the Unit in a proper, efficient, timely, and professional manner. The Supplier shall be bound to exercise the diligence of a good father of a family or such other stricter standard of diligence, as may be provided by law.
 - (b) The Supplier shall bear all risk of losses or deterioration of, or damage to, the Unit prior to its delivery to and acceptance by the Client and shall fully indemnify the Client in cases of theft, wrongful and malicious acts, and other similar activities perpetuated by the officers, agents, sub-contractors, or employees of the Supplier.
 - (c) The Supplier shall, prior to delivery of the Unit, or within a reasonable time thereafter, secure the licenses, permits, and approvals required for the lawful manufacture and delivery of the Unit. Such obligation shall apply solely up to the point of delivery and shall not extend to permits, licenses, or approvals required for the operation, resale, or subsequent use of the Unit by the Client.
 - (d) The Supplier shall comply with the additional terms, conditions, obligations and undertakings provided under Annex A and/or the relevant annexes referred to under this Agreement.
- 5.3 **Unit Warranty.** The Unit to be delivered by the Supplier pursuant to this Agreement shall strictly conform with the orders, specifications, quality and usage standards of the Client as indicated in Annexes A and B hereof, and shall include all parts, components, accessories, and related systems forming part of the Unit for purposes of this Agreement.



Upon delivery, the Supplier shall ensure that the Unit is fully operational and compliant with the agreed specifications. The Supplier shall conduct proper inspection and testing prior and during the deployment to confirm that the Unit is in good working condition. In the event that any part or component is found to be damaged or defective due to manufacturing or shipping issues, the Supplier shall repair or replace the affected parts at no additional cost to the Client within thirty (30) days from deployment.

Further, the Supplier provides a **one-year warranty** to the Client for hidden defects, or those defects which were not apparent or visible at the time of delivery or during the 10-day inspection period, and which render the Unit unfit for commercial use or not compliant with the standards and specifications provided by the Client herein or in its Purchase Orders, in accordance with the warranty coverage in Annex B.

In the event that any defect is found in the Unit, the Client shall promptly notify the Supplier in writing, and the Supplier shall promptly repair or replace the defective or damaged parts at no additional cost to the Client within the period provided in this Section. The Supplier shall ensure that the Unit is restored to full and proper operating condition in accordance with the agreed specifications and standards.

In the event that the defects still remain despite the issuance of a notice of breach and the lapse of the curing period under Section 3.1, the same shall amount to material breach and the Client may, at its sole option, exercise one or more of the following rights and remedies: (a) demand substitution and replacement under this Section; (b) charge or deduct amounts in liquidated damages as specified under Section 3.3; or (c) terminate this Agreement under Section 3.1, with claim for refund and damages. These remedies shall be cumulative and not exclusive, and shall be in addition to other rights and remedies of the Client under this Agreement and applicable laws.

The Supplier's liability for actual damages under this Section shall be limited to direct and proven damages only and shall exclude indirect, incidental, consequential, special, or punitive damages. In any event, the Supplier's total aggregate liability under this Agreement shall not exceed the **total Purchase Price** under this Agreement, without prejudice to any other applicable remedies of the Client under this Agreement.

- 5.4. **Intellectual Property.** The Supplier acknowledges and agrees that the Client is, and shall remain, the sole and exclusive owner of all rights, title, and interest in and to all intellectual property associated with and that may be shown and printed on, the Unit, including but not limited to: designs, artwork, logos, trademarks, structural packaging designs, specifications, and any other branding elements provided by the Client or created specifically by and for the Client. All logos, trademarks, brand guidelines, brand elements, and designs provided by the Client to the Supplier ("**Client IPs**") remain the exclusive property of the Client.

The Supplier retains ownership of its pre-existing, proprietary manufacturing processes, techniques, or inventions that are not developed specifically for the Client..

The Supplier warrants that it shall not sell, manufacture, or provide packaging featuring Client IP to any third party without express written permission from the Client.

SECTION 6 REPRESENTATIONS AND WARRANTIES

- 6.1 **Mutual Representations and Warranties.** Each of the Parties represents and warrants to the other Party that during the term of this Agreement:



- (a) It is a corporation or otherwise a juridical entity duly incorporated or organized, validly existing, and in good standing under the laws of the place of incorporation. It has all the requisite corporate capacity, power, and authority to enter into this Agreement and all other agreements and documents contemplated hereby and thereby.
- (b) All corporate acts or other acts thereof required to be taken by it to authorize the execution, delivery, and performance of this Agreement, and all other agreements and documents contemplated hereby, have been or will be obtained. This Agreement and all other agreements contemplated hereby, when executed pursuant hereto, constitute and will constitute legal, valid, and binding obligations, enforceable against it in accordance with the terms hereof and thereof.
- (c) The execution, delivery and performance of this Agreement (i) do not and will not, and the performance by it of the terms hereof will not, conflict with or violate its constitutive documents or any resolution of its shareholders or board of directors; and (ii) do not and will not violate any provision of applicable law or any agreement, judgment, injunction, order, decree or other instrument binding upon it, or subject its property and assets to any lien, charge or encumbrance. It is in compliance with all applicable laws and government approvals which govern its ability to perform its obligations under this Agreement.
- (d) There is no action, suit or proceeding, at law or in equity, or official investigation before or by any government authority, arbitral tribunal or other body pending or, to the best of its knowledge, and after due and careful inquiries, threatened against it or affecting it or any of its property, rights, assets, which could reasonably be expected to result in a material adverse effect on its ability to perform its obligations under this Agreement or the validity and enforceability of this Agreement.

6.2 **Additional Representations, Warranties and Covenants of the Supplier.** The Supplier represents, warrants and covenants unto the Client that:

- (a) It has and shall maintain throughout the period of this Agreement, adequate capitalization, financial capability, technical know-how and manpower to supply the Unit.
- (b) All Unit delivered pursuant to this Agreement shall (a) be free from any defects in design, materials, workmanship, or manufacture; (b) conform strictly to the orders, specifications, quality and usage standards of the Client; and (c) be fit for use and other intended business purposes of the Client. The Supplier shall keep the Client free and harmless from, and agree to indemnify the latter against, all claims, liabilities, actual losses, damages, costs, and expenses arising out of or in connection with any loss, damage, injury or otherwise, by reason of any act, accident, or occurrence caused by or due to any act or omission, or due to the fault, negligence, deliberate act, non-performance, or any breach by the Supplier or any of its agents, employees or personnel, of any of their representations, warranties, covenants, or obligations under this Agreement or the law.
- (c) The Supplier shall indemnify and hold harmless the Client from and against any claims, damages, or costs arising out of any third-party claim that the Unit infringes upon the intellectual property rights of a third party; Provided, however, that the Supplier shall not be liable for any infringement arising from specifications, designs, materials, or instructions supplied by the Client.
- (d) The Supplier shall comply with all the applicable laws and regulations relating to the supply and delivery of the Unit and all government issuances implementing or relating thereto.



- (e) The Supplier shall obtain and maintain all required licenses, permits and franchises, comply with all regulatory requirements applicable to it; and, pay all taxes in accordance with law. Without limiting the generality of the foregoing, the Supplier shall furnish the Client with certified true copies of the licenses, permits, franchises, and proof of regulatory compliance as the Client may request.

SECTION 7 FORCE MAJEURE

- 7.1 **Force Majeure.** No Party will be liable for any default or delay in the performance of its obligations under this Agreement to the extent such default or delay is caused, directly or indirectly, by Force Majeure; provided that, such default or delay could not have been prevented by reasonable precautions and cannot reasonably be remedied by the non-performing Party through the use of alternate sources, work-around plans, or other means. In case of Force Majeure, the non-performing Party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and provided such Party continues to use commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. Any Party so delayed in its performance shall immediately notify the other and describe in a reasonable level of detail the circumstances causing such delay. Each Party agrees to take all reasonable steps to minimize the impact of a Force Majeure event.

SECTION 8 CONFIDENTIALITY AGREEMENT

- 8.1 The Parties covenant and undertake to each other to keep, and shall at all times cause its directors, officers, employees, agents, and representatives to keep, Confidential Information in strictest confidence, and not to use the same for any purpose other than in connection with the performance of its responsibilities under this Agreement.

For purposes hereof, “*Confidential Information*” means all financial, operational, technical, trade and other information pertaining to the business and affairs of the Parties, whether such information be printed, written or verbally furnished by a Party to the other Party or the latter’s directors, officers, employees, agents, or representatives, excluding the following:

- (a) information which, at the relevant time is in the public domain, or becomes generally known in the industry or to the public, other than as a result of a breach of this confidentiality undertaking;
 - (b) information which the recipient can establish to have been known to it at the relevant time, and not acquired directly or indirectly from the other Party; or
 - (c) information which becomes available to the recipient from any third person, the disclosure of which does not constitute a breach of any agreement or legal obligation which such third person has with either Party.
- 8.2 Each of the Parties further covenants and undertakes to each other that neither of them will disclose to any person, firm, corporation, association, or entity, all or any part of the Confidential Information and that each of them shall prevent any unauthorized publication or disclosure of the same.

Should any of the Parties be required to disclose all or part of the Confidential Information by court order, administrative process, governmental order, or similar processes, then it shall

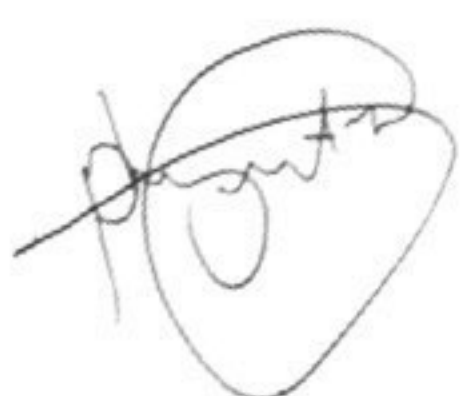


promptly give notice thereof and consult the other Party prior to making any disclosure, in order to permit the latter to seek appropriate protective order or injunctive relief.

- 8.3 As an essential consideration for the Supplier's engagement, the Supplier hereby undertakes and confirms that it shall cause its officers, directors, employees, consultants, and other advisors to keep the Confidential Information which it has received from the Client confidential and that it shall not use the Confidential Information other than in connection with this engagement or its business with the Client and that it shall not directly or indirectly disclose the Confidential Information to any third party except with the prior written consent of the Client or unless specifically provided otherwise in this Agreement.
- 8.4 The Supplier also agrees that, during the term of this Agreement and at all times thereafter, the Supplier shall not, directly or indirectly, make, publish, or communicate to any person or entity any statement, whether oral, written, electronic, online or offline, or through social media, that is false, defamatory, disparaging, or reasonably likely to damage the reputation, goodwill, brand, products, or business interests of the Client and its respective affiliates, shareholders, partners, directors, officers, employees, contractors, agents, investors, business partners, talent, or other persons engaged in their business activities. The Supplier acknowledges and agrees that any violation of this Section shall constitute a material breach of this Agreement and shall entitle the Client to actual, compensatory, exemplary, and moral damages, injunctive reliefs, and any other remedies under law or equity.

SECTION 9 DATA PRIVACY

- 9.1 The Supplier, in the performance of its obligations under this Agreement, shall comply with the provisions of Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012, its implementing rules and regulations, as well as all issuances of the National Privacy Commission (collectively, the "**Data Privacy Act and its Related Issuances**").
- (a) The Supplier shall take and implement reasonable and appropriate organizational, physical and technical security measures for the protection of any personal data in connection with the performance of the Services and/or this Agreement ("**Data**") pursuant to the Data Privacy Act and its Related Issuances. The Supplier shall ensure that Data is not used nor processed by it or any of its employees, representatives, agents or permitted subcontractors, except in accordance with the purpose as set out in this Agreement and/or as required by the Data Privacy Laws.
- (b) The word "process" is hereby understood to include any operation or any set of operations performed upon personal information including, but not limited to, the collection, recording, organization, storage, sharing, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure or destruction of data. Processing would include both manual and automated handling of personal information and storage and data transfers using various means including but not limited to physical methods as well as electronic via information and communications systems employed by the Supplier and its agents, representatives, employees or permitted subcontractors.
- 9.2 The Supplier shall take and implement adequate technical and organizational measures to protect the Client's Data against unauthorized and accidental access, processing, erasure, loss or destruction. If the Supplier or any of its personnel downloaded or store electronically any Data on a desktop, computer disk, memory stick, mobile phone, iPad, or other mobile or portable device or transfer or receive the Confidential Information to or from the Client or any third party (through whichever medium of transfer including without limitation transfers over a network) the Supplier shall encrypt the Data using encryption standard technologies appropriate to the sensitivity of the Data concerned. The Supplier further undertakes to:



- (a) Process the Data only upon the documented instructions of the Client, including transfers of Data to another country or an international organization, unless such transfer is authorized by law;
- (b) Ensure that an obligation of confidentiality is imposed on persons authorized to process the Data;
- (c) Implement appropriate security measures and comply with the Data Privacy Act and its Related Issuances;
- (d) Not engage another processor without prior instruction from the Client; provided, that any such arrangement shall ensure that the same obligations for data protection under the contract or legal act are implemented, taking into account the nature of the processing;
- (e) Assist the Client by appropriate technical and organizational measures and, to the extent possible, fulfill the obligation to respond to requests by data subjects relative to the exercise of their rights;
- (f) Assist the Client in ensuring compliance with the Data Privacy Act and its Related Issuances taking into account the nature of processing and the information available to the Supplier;
- (g) At the choice of the Client, delete or return all Confidential Information after the end of the term of this Agreement; provided, that this includes deleting existing copies unless storage is authorized by the Data Privacy Act or another law;
- (h) Make available to the Client all information necessary to demonstrate compliance with the obligations laid down in the Data Privacy Act and its Related Issuances, and allow for and contribute to audits, including inspections, conducted by the Client and/or their professional advisers and auditors; and
- (i) Immediately inform the Client if, in its opinion, an instruction infringes any or all of the Data Privacy Act and its Related Issuances.

The Supplier hereby gives full consent to the Client to collect, record, organize, store, update, use, consolidate, block, erase or otherwise process information, whether personal, sensitive personal, or privileged, pertaining to the Supplier and the transactions subject hereof which will be used for the implementation of this Agreement and for the purposes stated herein.

SECTION 10 GENERAL PROVISIONS

- 10.1 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Republic of the Philippines.
- 10.2 **Venue.** The venue of any court action, suit or proceeding between the Parties arising out of or relating to the Agreement shall be exclusively in Taguig City to the exclusion of all other venues.
- 10.3 **Survival of Obligations.** Notwithstanding the expiration or termination of this Agreement for any reason, the provisions under Sections 5.4 (Intellectual Property), 6 (Representations and Warranties), 8 (Confidentiality), 9 (Data Privacy), and 10.1 and 10.2 (Governing Law and Venue) shall survive and remain in full force and effect.



- 10.4 **Amendment.** This Agreement may be amended or in any manner modified only through a written instrument duly signed by the Parties. An amendment once executed shall be deemed an integral part of this Agreement and shall supersede all provisions hereof which are inconsistent hereto.
- 10.5 **Waiver.** The rights of a Party will not be prejudiced or restricted by any indulgence or forbearance extended to the other, and no waiver by a Party in respect of any breach will operate as a waiver in respect of any subsequent breach hereof.
- 10.6 **Assignability.** A Party shall not assign, transfer, convey, or encumber, directly or indirectly, all or part of its interest in this Agreement and all other agreements executed or to be executed pursuant to this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld; provided that, the Client may assign, transfer, convey, or encumber, directly or indirectly, all or part of its interest in this Agreement to an Affiliate upon written notice to the Supplier.
- 10.7 **Notices.** All notices, consents, requests and demands to or upon the Parties to be effective shall be in writing and in the English language.
- 10.8 **Non-Exclusivity.** This Agreement shall be **non-exclusive**, and the Client is free to engage such other Suppliers as it may deem necessary and required.
- 10.9 **Counterparts.** This Agreement may be executed by the respective attorneys-in-fact of the Parties in counterparts. Any single counterpart or a set of counterparts signed in either case, by the Parties shall constitute a full and original agreement for all purposes.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement at the date and place indicated in the Acknowledgment page.

CELESTIAL COSMETICS, INC.

ITADISH TRADING

Client
By:

Supplier
By:

MARK ISAIAH A. HORA
Marketing Manager


PHENNY CHARIE CASTILLO
Position: _____

SIGNED IN THE PRESENCE OF:

[Acknowledgment pages follow.]

FIRST ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
) S.S.

Before me, a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Name	Competent Evidence of Identity	Date/Place Issued
CELESTIAL COSMETICS, INC. By: MARK ISAIAH A. HORA	Passport No. P6094471B	Issued on January 18, 2021 at DFA Baguio

who were identified by me through competent evidence of identity to be the same persons who signed and executed the foregoing Supply and Purchase Agreement and acknowledged to me that the same is their free and voluntary act and deed, as well as that of the corporation/s they represent, for the uses and purposes therein set forth.

I further certify that said Supply and Purchase Agreement consists of _____ () pages, including this Acknowledgement and signed by the abovementioned Parties and their witnesses.

IN WITNESS WHEREOF, I have hereunto affixed my signature and notarial seal on _____, at _____.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 202_.

**ANNEX A
PRICING AND SPECIFICATIONS**

DESCRIPTION	SPECIFICATION	QTY	UNT	UNIT PRICE	AMOUNT				
Vending Machine	Custom Full Body Sticker Dimension: 1920(h) x1350 (w) x855 (d)mm With 21.5 inches display Six Spiral trays, ten (10) selections per tray. Cloud system for online monitoring of sales and stocks	1	Unit(s)	335,000.00	335,000.00				
	350kg (varies with tray configuration) Six (6) layers selection Voltage : 110V / 220V , 60/50 HZ Refrigeration System (low consumption)Power: 600w (cold)								
	Nayax Unit for Cashless System Glass Door Material : Explosion- Proof Tempered Glass					1	Unit(s)	32,000.00	32,000.00
	CCTV Ended on the Vending Machine for customer viewing \$310 With Payment System (bills, coins & Gcash)					1	Units(s)	18,000.00	18,000.00
SUBTOTAL					385,000.00				
DISCOUNT					- 15,000.00				
					370,000.00				
VAT 12%					44,400.00				
Free Delivery within Metro Manila					0				
TOTAL					414,400.00				

DESCRIPTION	SPECIFICATION	QTY	UNT	UNIT PRICE	AMOUNT
Nayax Cashless 2c2p payment gateway provider	Accepts Debit Card				
	Accepts Credit Card				
	Accepts Gcash				
	Accepts Paymaya				
	One time onboarding Fee	1	time	20,000.00	20,000.00
	Annual fee - PDC Checks	1	yearly	20,000.00	20,000.00
	Nayax Fees Other Fees	1	time	20,000.00	20,000.00
	3.25% on every transaction				
	3.08% Paymaya, Gcash, Grabpay				
	All Income- direct to your bank COMPLETE BUSINESS PERMIT IS REQUIRED				
TOTAL VAT 12% INCLUDED					60,000.00
CUSTOM COSMETICS VENDING MACHINE					414,400.00
TOTAL					474,400.00

**ANNEX B
ESSENTIAL PROVISIONS**

1. DELIVERY

The Supplier shall deliver to the Client one (1) Brand New Vending Machine with cashless payment primarily via NAYAX (the “Unit”) NOT LATER THAN 60 DAYS from the signing of the Agreement (“Delivery Date”).

In consideration of the mutual promises set forth herein, in the event the Client opts to terminate or rescind this Agreement due to failure to deliver by the said Delivery Date, the Supplier shall agree to a full one hundred percent (100%) refund to the Client without need of further demand.

2. FEES AND PAYMENTS

2.1. Purchase Price. The Client shall pay the Supplier the total purchase price for one (1) Brand New Standard Vending Machine in the amount of **Four Hundred Seventy Four Thousand Four Hundred Philippine Pesos (Php 474,400.00)**, inclusive of Value-Added Tax (VAT) (the “Purchase Price”)

2.2 Payment Schedule. The Client agrees to pay the Supplier according to the following schedule:

Payment	Amount	Date
Initial Deposit - 25%	Php118,600.00	Upon signing of the Agreement by both parties
First Installment - 50%	Php237,200.00	Upon presentation of proof of order (Order Confirmation) and prior to shipment.
Balance - 25%	Php118,600.00	Upon Supplier’s delivery, and Client’s Acceptance of Vending Machine

In the event that the Client fails to pay to the Supplier any of the above amounts through no fault of the Supplier and without valid dispute or cause, the Supplier shall be entitled to charge a penalty equivalent to one and one half (1.5%) of the outstanding unpaid amount per week of delay, calculated from the original required payment date until full payment is received.

2.3 Mode of Payment. Payments shall be remitted only to the Supplier’s designated bank account below or by check payable to “Itadish Trading.”

Bank Details:

Account Name: Itadish Trading

Bank: RCBC

Account Number: 90267-92792

Cash payments shall not be accepted and shall not be handed to any personnel or representative of the Supplier.



2.4 **Full Payment Discount.** Should the Client opt to make full payment upon execution of this Agreement, a discount of Twenty Thousand Philippine Pesos (Php 20,000.00) shall be applied to the total contract price.

2.5 **Non-Payment After Deployment.** Unless otherwise agreed in writing, the full contract price shall be settled within thirty (30) calendar days from the date of deployment of the vending machine in the Philippines and any unpaid balance beyond this period shall be subject to a penalty of **one and one-half percent (1.5%) per week until fully paid**, provided that delivery has been completed and the Unit has been accepted by the Client as in good working condition, and is not subject to any complaint for request for repair or return during the Inspection Period.

2.6. **Discounts for Future Orders.** The Supplier shall extend discounts for future or repeat orders of the Client, which amount shall be subject to its discretion and to availability and a separate or supplementary agreement.

3. NAYAX CASHLESS ADD-ON

3.1. The Client opts to avail cashless payment capabilities to be installed in the Unit. In consideration thereof, the Client shall pay: (i) a one-time fee of 20,000 for the cashless payment terminal/unit itself; (ii) a one-time onboarding fee of 20,000 for the activation and setup of the NAYAX Cashless Payments capability; and (iii) an annual fee of 20,000 for the continued use of the NAYAX Cashless Payments capability add-on.

Accepted Payment Methods: GCash, PayMaya, debit cards, and credit cards.

3.2. The Client shall ensure the availability of stable and adequate internet connectivity necessary for the installation and proper operation of the Unit.

3.3. **In the event that the primary cashless payment gateway provider NAYAX is unable to deliver its services in a timely and satisfactory manner as determined by the Client, the Supplier has the sole obligation of procuring any alternative cashless payment providers within the periods provided in this Agreement, at no additional cost to the Client. Any amount charged for the cashless payment feature shall not be greater than the fees paid for the NAYAX services.**

4. LOCATION AND LOGISTICS

4.1 Location Assistance

Upon request, the Supplier may assist the Client in identifying a suitable location for the vending machine. Such a location may include a warehouse for temporary storage or a public area conducive to generating sales, subject to availability and terms agreed upon by the parties.

4.2 Logistics Costs and Handling Support

The first delivery of the vending machine is free of charge and the Supplier shall cover the logistics costs; provided, that the delivery location is within Metro Manila, Bulacan, and Cavite. Any delivery outside Metro Manila, Bulacan, and Cavite, or any subsequent relocation, change of delivery address, or additional transportation requirements, shall be at the full expense of the Client.

For any deployment outside Metro Manila, the Client shall cover the food and accommodation of the Supplier's technician. The Supplier shall shoulder all transportation expenses, including but not limited to bus, flights, and boat transfers.



4.3 Authorized Logistics Provider

The Supplier shall solely bear all risks of damage and costs of delivery through its affiliate delivery service provider. The Supplier shall provide reasonable assistance to the Client in engaging the Supplier's partner logistics company for any additional transportation or moving services requested by the Client. All costs for such services shall be the responsibility of the Client.

Should the Client choose to engage an alternative logistics provider not affiliated with the Supplier, any risk of damage, delay, or improper handling shall be solely for the account of The Client.

4.4 Site Accessibility Requirements

The designated vending machine location must meet the following minimum requirements:

- a. Easy and direct access with no large staircases or basements;
- b. Indoor placement only; outdoor installation is not permitted;
- c. Availability of a direct and stable electrical socket to prevent motor or system issues.

Failure to meet these conditions may result in installation delays or operational issues, for which the Supplier shall not be held liable.

5. OTHER ADD-ON SERVICES

5.1 Tray Configuration Changes. Any modifications to the vending machine's tray configuration after delivery, including a complete reconfiguration of the entire tray system, shall be subject to an additional charge of PHP 3,000.00.

5.2 Spiral Provision. The Supplier shall provide five (5) additional spirals at no cost upon The Client's request. Any additional spirals beyond this allocation shall be charged at a rate of Two Hundred Philippine Pesos (Php 200.00) per spiral.

5.3 Selection Modification Restriction. A complete reconfiguration of the spiral tray from a single-selection setup to a dual-selection setup after delivery is expressly prohibited and shall not be permitted under any circumstances.

5.4 CCTV Installation Restrictions. The installation of any additional CCTV cameras inside the vending machine shall not be permitted unless the Client installs a separate unit to provide Wi-Fi connectivity for the CCTV system. The SIM card and associated data plan supplied with the vending machine are exclusively for vending machine data monitoring, cloud services, and software maintenance. Any unauthorized use of this SIM card for other purposes is strictly prohibited and may result in service interruptions and suspension of related support services.

6. PREPARATION PRIOR TO DELIVERY

6.1. Coins

The Client shall prepare thirty (30) to fifty (50) pieces of old and new coins in denominations of 1, 5, 10, and 20, which shall be used to properly configure the coin acceptor to dispense correct change.

6.2. Initial Product

The Client shall prepare initial product for testing and setup, such as biscuits, bottled water, canned soda, and chips.

7. WAREHOUSE

7.1. Warehouse Storage. The Client may store the vending machine at the Supplier's warehouse for a maximum period of five (5) months from the date of delivery or readiness for storage, whichever occurs earlier. Should the Client request storage for a period exceeding said period, the Supplier shall be entitled to charge a storage fee of Two Thousand Pesos (2,000.00) per unit, per month, or any fraction thereof, until the vending machine is removed.

8. WARRANTY

8.1. Warranty Against Defects. The Supplier warrants that each vending machine supplied to the Client shall be free from defects in design, materials, workmanship, and manufacture at the time of delivery. All vending machines shall be covered by a **one (1) calendar year warranty** commencing from the delivery of the vending machine on the first location. This warranty includes the free replacement of spare parts and motor parts, as may be necessary. Following the expiration of the one (1) year warranty period, the Supplier agrees to provide spare parts and motor parts, as needed, at prevailing market rates.

8.2. Delivery and Operational Support. The Supplier shall provide, free of charge, the following support to the Client:

- a. A physical demonstration upon delivery of the vending machine;
- b. Video tutorials prior to delivery; and
- c. Additional video instructions upon reasonable request.

8.3. Notification of Warranty Claims. The Client shall notify the Supplier in writing of any warranty claim within a reasonable period after discovering the alleged defect.

8.4. Supplier's Obligations Upon Notice. Upon receipt of notice, the Supplier shall:

- a. Provide instructional materials, including videos or catalogues, for troubleshooting (particularly for locations outside Metro Manila); or
- b. Repair or replace the defective Unit or any part thereof at no cost to the Client, subject to warranty coverage.

8.5. Continued Use. Continued use of the vending machine by the Client following notification of a defect shall not be deemed a waiver of the Client's rights under this warranty.

8.6. Conditions Resulting in Warranty Nullification. The warranty and related support services shall be immediately terminated upon the occurrence of any of the following:

- a. Three (3) instances of continued refusal by the Client to properly maintain the vending machine despite written recommendations for corrective measures;
- b. Failure or refusal to clean the vending machine or to follow recommended cleaning protocols;
- c. Any abusive, threatening, or defamatory conduct toward the Supplier's staff, whether in person, online, or through any communication channel;
- d. Initiation of legal action against the Supplier without prior good-faith efforts at amicable resolution.

8.7. Centralized Digital Resource Access

The Supplier shall provide the Client with access to a centralized digital resource link, which shall be sent and pinned via Viber and/or WhatsApp for easy and continuous access.

A handwritten signature in black ink, appearing to be 'P. Santos', is written over a large, light-colored circular scribble.

This digital resource shall contain, without limitation:

- a. Troubleshooting guides and step-by-step instructions;
- b. All softcopy manuals for the vending machine and related components;
- c. Simplified manual explanations written in plain language and supported by photos for easier understanding;
- d. Video guides and instructional tutorials;
- e. Updated policies, operational terms, and guidelines; and
- f. Free downloadable PDF files and reference materials necessary for the proper operation, maintenance, and care of the vending machine.

The Client acknowledges that all softcopy manuals and instructional materials shall be made available through this digital resource and that regular reference thereto forms part of the Client's responsibility in operating and maintaining the vending machine.

8.8. Preventive Maintenance Program (PMP)

The Client acknowledges that a Preventive Maintenance Program (PMP) is not mandatory under this Agreement. However, the Supplier strongly recommends that a preventive maintenance inspection be conducted during the eighth (8th) or ninth (9th) month of the warranty period to identify any components that may require replacement prior to the expiration of the warranty.

Engagement of the Supplier for PMP services shall be optional and subject to a separate agreement and applicable fees. Alternatively, the Client may engage a qualified third-party or outsourced technician, provided such technician is competent to service refrigeration or vending equipment. The Parties acknowledge that vending machines operate using systems similar to standard refrigeration units, including compressors and fans, and may therefore be serviced by properly trained technicians in such fields.

8.9. On-Site Technician Requests and Fees

In the event that the Client requests on-site technical assistance from the Supplier, such service shall be subject to service fees and availability.

For on-site technical support within Metro Manila, the applicable fee shall be Two Thousand Philippine Pesos (Php 2,000.00) per visit, exclusive of transportation or fare, which shall be borne by the Client.

On-site technical services are not included in the free one-year warranty unless expressly stated otherwise in writing.

9. REPAIRS AND MAINTENANCE

9.1 Client Responsibility for Learning and Troubleshooting

The Client acknowledges and agrees that familiarization with the operational components of the vending machine is essential. This includes, but is not limited to, accessing settings, entering data, operating the bill acceptor and coin acceptor, configuring payment options, updating images and videos, adjusting temperature, cleaning the unit, uploading photos to the cloud, using wheels, accessing SIM card ports, and any add-on functionalities.

The Client further acknowledges that they are responsible for performing basic troubleshooting while physically present at the vending machine, under the guidance of the Supplier's technician.

Such troubleshooting may include manipulating wires, pressing buttons, inserting USB devices, or performing other actions as instructed.

9.2 Documentation Provided by Supplier

The Supplier shall provide the Client with both hardcopy and softcopy manuals for the vending machine and all associated components, including but not limited to the Vending Machine Manual, Bill Acceptor Manual, Coin Acceptor Manual, and manuals for any add-on units.

9.3 Instructional Videos

The Supplier shall provide instructional videos demonstrating basic vending machine maintenance and troubleshooting procedures prior to delivery. Updates to these instructional materials may be provided after delivery to assist the Client in proper operation and maintenance.

9.4 Aftersales Support

The Supplier shall provide aftersales support via Viber and WhatsApp at +G3 97G 093 3901. The Client agrees to provide photographs and/or videos as reasonably requested by the Supplier's technical team to facilitate remote troubleshooting and assistance.

9.5 Client Maintenance Obligations

The Client shall, at their own expense, maintain the vending machine in good working condition following delivery and installation. Proper cleaning solutions and maintenance procedures shall be used strictly in accordance with the manuals and instructions provided.

9.6 Optional In-House Technician Services

In the event that the Client is unable or unwilling to perform troubleshooting in accordance with the manuals or instructional videos, the Supplier may, upon request, dispatch an in-house technician, subject to applicable service fees.

9.7 Warranty on Parts

The Supplier shall provide spare parts and motor components free of charge for a period of one (1) year from the date of delivery and installation at the Client's location, subject to the terms of the Warranty section.

Labor, transportation, and on-site service costs are not included in this warranty.

9.8 In-House Technician Fees

The applicable fees for dispatching an in-house technician shall be as follows:

- Within Metro Manila and Clark: Php 1,500.00 per day, plus transportation
- Outside Metro Manila: Php 2,000.00 per day, plus transportation and accommodation

The Supplier reserves the right to adjust these fees without prior notice.

9.9 Urgent Technical Support

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For urgent issues requiring immediate technical attention, where the Client is unable to perform troubleshooting, the Client shall pay the applicable in-house technician fee (Php 2,000.00 plus transportation) and provide proof of payment via email, viber or whats app.

Upon receipt of such proof, the Supplier shall deploy a technician to the vending machine location within twenty-four (24) hours, subject to availability.

10. PACKAGING

10.1. Supplier's Packaging Obligation

The Supplier shall provide packaging for the vending machine that is appropriate, secure, and compliant with industry best practices, ensuring that the vending machine is delivered to the Client free from damage.

10.2. Obligation to Retain Packaging

The Client shall retain the original packaging materials, including cartons, foam, and any other protective materials provided by the Supplier. Such materials shall be used to securely repack the vending machine in the event of relocation or transport. The Client shall ensure that the vending machine is properly and securely packaged prior to any transport or relocation in order to preserve its integrity and maintain compliance with all warranty obligations.

10.3. Orientation Requirement

The Unit shall be kept in an upright position at all times and shall not be laid on its side or inverted under any circumstances. Failure to comply with this requirement, including improper handling or positioning, may cause damage to the Unit and shall result in the voiding of all applicable warranties provided by the Supplier.

11. CREATIVES AND DESIGN

11.1. Design of Vending Machine

The Client will provide pegs and final designs to the Supplier via electronic mail which the latter shall cause to be securely printed or attached to the Unit. The final appearance, including the layout, placement, and quality of the materials to be used for the design of the Unit shall be subject to final written approval of the Client and shall be based on the designs and specifications submitted by the Client.

For reference, below is a sample design for the Unit:



