

Co-Promotions / Media Promotions / Exhibitor Promotions STANDARD TERMS & CONDITIONS

Following are the <u>Standard Terms & Conditions</u> ("<u>STC</u>"), as may be updated and amended by Marvel Studios LLC ("Marvel") from time to time, to the <u>CO-PROMOTION AGREEMENT</u> (the "<u>Agreement</u>") by and between the Marvel and/or the Disney parties set forth in the main part of the Agreement ("<u>Cover Agreement</u>") on the one hand, and on the other hand, the media, exhibitor, or other co-promotion partner ("<u>Co-Promotion Partner</u>") (each a "Party") set forth in the Cover Agreement, in connection with the co-promotion of Co-Promotion Partner's product(s) and/or service(s) ("<u>Participating Product(s)/Service(s)</u>") and the release of the Marvel motion picture, direct-to-consumer television program, and/or other audio-visual production (generally including all assets thereof, the "<u>Property</u>", and as released for exhibition, the "<u>Movie</u>", "<u>Series</u>", or "<u>Picture</u>", as applicable) in the Territory(ies) during the Co-Promotion Period, all as specified in the Cover Agreement and the STC. All activities in connection with the Co-Promotion shall occur in the Territory(ies) during the Co-Promotion Period, subject to all the terms and conditions in the Cover Agreement and these STCs. Unless otherwise defined hereunder, all capitalized terms herein shall have the meaning ascribed to them in the Cover Agreement. All "Section" references herein shall refer to provisions under these <u>Standard Terms & Conditions</u>.

1. GRANT OF RIGHTS.

- By Marvel/Disney. Marvel and Disney hereby grant to Co-Promotion Partner the right, within the Territory(ies) during the Co-Promotion Period set forth in the Agreement, to use the titles, logos, characters' names and likenesses, creative artwork, copyrights and trademarks from the Property ("Property Elements"), all as provided and approved by Marvel, in connection with the Co-Promotion as set forth in the Agreement. Use of characters' names and likenesses are subject to any talent agreement restrictions. Marvel retains all rights relating to the Property and Intellectual Property (as defined below) not expressly granted to Co-Promotion Partner hereunder. For the avoidance of doubt, the Property shall not include non-Property related trailers, non-Property related commercials/promotional spots, or any ancillary materials (e.g. short subjects) preceding or following the theatrical exhibition of the Movie or on a Movie DVD, Blu-ray, or other home entertainment media. Notwithstanding the foregoing or anything to the contrary herein, none of the rights granted to Co-Promotion Partner will apply to live event activities, including without limitation theme parks/attractions, cruise ships, traveling exhibitions and/or similar activities.
- 1.2. <u>By Co-Promotion Partner</u>. Co-Promotion Partner hereby approves and grants to Disney and Marvel and their designees, the non-exclusive right to use, display and reproduce images of Co-Promotion Partner's Participating Product(s)/Service(s), and all brand names, trademarks, tradenames, service marks and/or copyrights associated therewith, in and in connection with the Property, ancillary rights related thereto (collectively, "Rights"), the Co-Promotion, and all marketing and exploitation thereof.
- 1.3. "Intellectual Property" means without limitation: copyrights and all derivations thereof, moral rights, and maskworks; trademarks, service marks, trade names, goodwill, rights of publicity, merchandising, packaging, marketing, advertising, other commercial rights, and all rights associated therewith; trade secrets, technical data, inventions, patents, designs, Digital Media (as defined below), algorithms, engineering know-how, molds, source code, mechanics, tooling and similar materials and other industrial property; all other intellectual and industrial property and proprietary interest now known or hereinafter devised and all extensions thereof. Notwithstanding anything to the contrary in the Agreement, Disney and/or Marvel shall have the right to share the names of its Property promotional partners with third parties.

2. MATERIALS.

- 2.1. **"Co-Promotion Materials"** shall mean any and all materials including all creative elements and concepts and above-the-line (**"ATL"**) and below-the-line (**"BTL"**) media support produced for the Co-Promotion.
- 2.2. <u>Samples.</u> Subsequent to final approval, Co-Promotion Partner shall provide Marvel with the following samples:
- i. <u>Participating Products</u>: 30 samples of each Participating Product SKU and any materials related thereto bearing onpackage Property graphics or other Marvel/Disney intellectual property;
- ii. <u>Premiums</u> (if applicable): 30 samples of each premium SKU (if any) sourced from a supplier that is either (a) not a Property licensee, or (b) self-produced by Co-Promotion Partner; and
- iii. $\underline{\text{Co-Promotion Materials}}$: 1 Physical sample and 1 electronic sample of each Co-Promotion Material and any other retail promotional materials used.
- 3. <u>DIGITAL MEDIA (if applicable)</u>. All Digital Media to be produced in connection with the Co-Promotion shall be subject to Marvel's approval. "Digital Media" shall mean the use of the Property in digital comics, motion comics, games, avatars, virtual goods or items, digital customization (e.g. icons, screensavers, wallpapers, ringtones), and applications, in all media or platforms (including mobile/wireless) now known or hereinafter devised. In no event shall any Digital Media contain any games without Marvel's prior written approval.
- 4. LICENSED PRODUCTS, PREMIUMS AND OTHER PROMOTIONAL $\underline{\mathsf{ITEMS}}.$
- 4.1. <u>Compliance: International Labor Standards, Quality Control, & Safety.</u> All premiums, products, and other physical materials that contain, incorporate, reference, or otherwise use Marvel intellectual property, and any facilities used in their production, shall comply with Marvel's Facility & Merchandise Authorization (FAMA) procedures and ILS Program as set forth in <u>Exhibit ILS</u>, Product Integrity Provisions as set forth in <u>Exhibit QC</u>, (all the foregoing Exhibits, as may be updated and amended by Marvel and/or Disney from time to time, being hereby incorporated into the Agreement by this reference), and any and all applicable Law(s) (as defined below). Co-Promotion Partner shall comply with the ILS Program for Co-Promotion Agreements and Product Integrity Provisions for Co-Promotion Agreements.

- 4.2. <u>Distribution</u>. In the event that Co-Promotion Partner and/or its affiliates has licensed from Marvel and/or its affiliates the right to produce licensed products ("Licensed Products") and is/are also producing and/or distributing Property premiums or other products/materials or SKU's that contain, incorporate, reference, or otherwise use Marvel/Disney intellectual Property ("Promotional Items") in connection with the Co-Promotion or otherwise under the Agreement, then such Promotional Items shall be in addition to, and not in lieu of, the Licensed Products, and the Licensed Products shall continue to be sold in all channels under the license agreement and will be sold in all major retailers (e.g. Wal-Mart, Target, etc.) whether or not the Promotional Items are also offered in such channels or retailers. Co-Promotion Partner shall comply with the Privacy Policy Provisions set forth in Exhibit DS.
- BRAND ASSURANCE, CREATIVE EXECUTION, & MARVEL APPROVALS. Co-Promotion Partner agrees that materials relating to the Co-Promotion will be of high quality and of such style and appearance as to be suitable for exploitation to the best advantage of, and to the protection and enhancement of, the Property and its goodwill. All Co-Promotion Materials shall be submitted for Marvel's written approval in accordance with the procedure set forth in this Paragraph 5. Co-Promotion Partner's failure to comply with any of the provisions of this Paragraph 5 shall be deemed a material breach of the Agreement. Notwithstanding the foregoing or anything to the contrary herein, in no event shall Co-Promotion Partner include any characters, footage, stills, artwork, locations, or any other elements from the Property not wholly owned or controlled by Marvel (including without limitation select Spider-Man and/or Spider-Man family characters) in the Co-Promotion or in any Co-Promotion Materials unless Marvel provides prior written approval for such inclusion.
- 5.1. <u>Timeline Submission</u>. At the onset of execution, Co-Promotion Partner shall work directly with Marvel's creative execution team and submit for mutual approval an execution/deliverables timeline for use by all Parties during the Co-Promotion. This timeline must be received by Marvel and agreed upon by both Parties before Property creative assets are released and in no event later than **180** days (or such other deadline as agreed to by the Parties) prior to commencement of the Co-Promotion Period.
- 5.2. <u>Submission of Co-Promotion Materials</u>. All Co-Promotion Materials to be submitted must represent Co-Promotion Partner's final point of view and vetted through Co-Promotion Partner's organization with internal sign-off before submission to Marvel.
- 5.3. <u>Turnaround & Approval Time</u>. For each round of Co-Promotion Materials submitted to Marvel for approval, please generally allow 10 business days for approval. The assigned Marvel project manager or designated personnel will advise Co-Promotion Partner on Marvel's brand assurance submissions process.
- 5.4. Approval of Co-Promotion Materials. Marvel will verify its approval of Co-Promotion Materials via e-mail. No elements of the Co-Promotion campaign may be produced, aired, printed, e-mailed, or otherwise distributed without Marvel's prior approval being secured by Co-Promotion Partner. Marvel's approval of Co-Promotion Materials (or any other materials) shall in no way constitute or be construed as an approval by Marvel of Co-Promotion Partner's use of any trademark, copyright and/or other proprietary materials, not owned by Marvel or which is not part of the Property Elements. No approval by Marvel under this paragraph shall constitute a waiver or modification of Co-Promotion Partner's obligations under any other provision of the

Agreement including Co-Promotion Partner's obligations with respect to third party approvals.

- 5.5. <u>Motion Picture Rating.</u> Co-Promotion Materials shall include the relevant motion picture rating where required by Law(s) or by Marvel. Co-Promotion Partner acknowledges that the Movie may not yet be rated at the time that any given Co-Promotion Material is produced and that Co-Promotion Partner may have to subsequently update (by way of example only, reprinting advertisements) Co-Promotion Materials after the Movie has been rated at Co-Promotion Partner's sole cost and expense.
- 5.6. <u>Additional Talent Approvals & Costs.</u> Co-Promotion Partner's use of Co-Promotion Materials may be subject to talent permissions and/or reuse payments and Co-Promotion Partner shall be solely responsible for such costs.
- 5.7. <u>Wrap-Up of Creative</u>. Co-Promotion Partner shall provide to Marvel's creative execution team a full copy of all digital files/elements of all Co-Promotion Materials used in the Co-Promotion within **30 days** of the end of the Co-Promotion Period.
- THIRD PARTY APPROVALS. Disney's and Marvel's grant of rights to use the Property Elements including the name, voice or likeness of any cast member or other third party or the right to use any stills, clips, music, or other material from the Property is subject to Co-Promotion Partner obtaining clearance for each such element. Co-Promotion Partner shall not use any materials relating to the Property in any manner suggesting that any actor or other person appearing therein personally endorses Co-Promotion Partner or any of Co-Promotion Partner's products and/or services. Co-Promotion Partner shall not utilize the likeness of any actor except as such actor appears in his/her role in the Movie, nor shall Co-Promotion Partner utilize a "look-alike" or "sound-alike" to imitate the appearance or voice of any artist who appears in the Movie except with such artist's prior written consent. Co-Promotion Partner shall bear any third party fees incurred and obtain any talent approvals required. The use by Co-Promotion Partner of any unapproved advertising or promotional materials containing the Property Elements shall be a material breach of the Agreement.

7. MEDIA.

Media Schedules/Plans & Reports. Co-Promotion Partner shall provide Disney and Marvel with a draft media schedule detailing the media campaign no later than 120 days prior the Theatrical Release Date (or other initial release date if not a theatrical motion picture), or upon execution of the Agreement if such execution occurs within 90 days of the Theatrical Release Date (or other initial release date if not a theatrical motion picture). Co-Promotion Partner shall consult with Disney and Marvel and obtain their approval regarding the draft media schedule before providing the final media schedule (including a flight schedule for all ATL spending specifying all networks, programming, days, times, frequencies, territories, and broadcast values for each ATL media spend) to Disney and Marvel no later than 60 days prior to the Theatrical Release Date (or upon execution of the Agreement if such execution is less than 60 days prior to the Theatrical Release Date). ATL media spending shall consist of arm's length initial purchases of ATL media (net of discounts, credits, refunds, allowances, production costs, agency fees, and rebates) from unaffiliated companies. Co-Promotion Partner shall provide, within 60 days after the Theatrical Release Date (or other initial release date if not a theatrical motion picture), the standard reports provided by media spending agencies to their clients with respect to the Guaranteed Media Spend commitments hereunder including: (i) media spend affidavits from each broadcaster or other media outlet vendor

confirming that the Guaranteed Media Spend has run as required pursuant to the media schedule; and (ii) post analysis broken down by vendor, market (for local television), and daypart (for broadcast TV).

Media schedules and affidavits shall be sent to:

Walt Disney Studios 500 South Buena Vista Street, 4th Floor, Suite 417A Burbank, CA 91521

USA

Attn: Megan Crumpacker – Director, Marketing Strategy

CC: Mindy Hamilton – SVP Global Partnerships

Heather Trail- Associate Manger, Intl Partnerships

E-Mails: Megan.N.Crumpacker@Disney.com

MHamilton@Marvel.com HTrail@Marvel.com

with a copy to Disney at the address and e-mail set forth in the Cover Agreement.

In the event that Co-Promotion Partner does not satisfy its Guaranteed Media Spend, then Co-Promotion Partner will promptly pay Disney a cash amount equal to the shortfall.

- 7.1. <u>Food &/or Beverage Promotions</u>. Co-Promotion Partner shall ensure that Co-Promotion Materials neither target children nor be distributed via children-targeted media platforms (*e.g.* Nickelodeon or Cartoon Network), even if the Co-Promotion Materials are considered adult-oriented or aimed at adult consumers.
- 7.1. Advertising & Marketing Messaging. Co-Promotion Partner represents, warrants, and covenants that all marketing and advertising claims (express or implied) regarding any attribute of any of Co-Promotion Partner's goods or services that are included on or in any Co-Promotion Materials, whether provided or created by Co-Promotion Partner or Marvel (collectively, "Advertising Claims"), shall comply with all Laws and all industry standards, and Co-Promotion Partner shall be solely responsible for ensuring that any and all Advertising Claims (i) are not in any way false or misleading, (ii) comply with claim criteria as established by Laws and all industry standards, and (iii) are accompanied by any disclosure or explanatory statements required by Laws and all industry standards. Co-Promotion Partner shall maintain sufficient records to substantiate any and all Advertising Claims. At Marvel's request, Co-Promotion Partner shall provide to Marvel, or its authorized representative, copies of any such records. Without limiting the foregoing, Co-Promotion Partner acknowledges that Marvel and/or its affiliates may publish, advertise, or otherwise communicate such claims in reliance upon the foregoing representations, warranties, and covenants in connection with its obligations under the Agreement.
- 8. <u>CONTEST/SWEEPSTAKES</u> (if applicable). The following sets forth Co-Promotion Partner's obligations in connection with the Co-Promotion's contests and/or sweepstakes ("Contest/Sweepstakes"). For all Contest/Sweepstakes, where not prevented by Co-Promotion Partner's pre-existing contractual agreements, Co-Promotion Partner shall utilize Marvel's preferred vendor unless otherwise mutually approved by the Parties in writing earlier than 6 months in advance of the Contest/Sweepstakes launch date. Co-Promotion Partner shall be solely responsible for undertaking at its sole cost and expense the following in connection with the development, administration, prize fulfillment and promotion of the Co-Promotion Partner Contest/Sweepstakes:
- 8.1. <u>Drafting Official Rules & Entry Forms</u>. Drafting: **(a)** the official rules of the Contest/Sweepstakes (the **"Official Rules"**) which

Official Rules shall include a provision stating that any and all submissions containing Marvel Intellectual Property or any derivative thereof from Contest/Sweepstakes entrants shall be owned entirely and exclusively by Marvel who shall have, to the extent permitted by applicable Law(s), the unrestricted, perpetual right to use, modify, and exploit in whole or in part any and all submissions by entrants throughout the Universe in any and all media now known or hereafter devised; and (b) the entry form(s) ensuring that the Official Rules and such entry form(s) are in compliance with all applicable Law(s). Co-Promotion Partner shall submit a copy of all such materials to Marvel at least 30 days prior to the start of the Contest/Sweepstakes;

- 8.2. <u>Contest/Sweepstakes Co-Promotional Materials.</u>
 Designing, creating, drafting, preparing, distributing and placing in applicable media all promotional and advertising materials pertaining to the Contest/Sweepstakes ("Contest/Sweepstakes Co-Promotional Materials"), and ensuring that all such Contest/Sweepstakes Co-Promotional Materials, as designed, created, drafted, prepared, distributed, and/or placed in any media are in compliance with the Official Rules, all applicable Law(s) and all other terms and conditions set forth in the Agreement, including, without limitation all of Marvel's approval rights;
- 8.3. <u>Ensuring Compliance</u>. Ensuring that the Contest/Sweepstakes is conducted, administered and judged, and the prizes awarded, in accordance with the Official Rules, all applicable Law(s), and the Contest/Sweepstakes Co-Promotional Materials;
- 8.4. <u>Contest/Sweepstakes Webpage</u>. Only if applicable and as permitted by Marvel, building, hosting, serving, operating and maintaining the webpages applicable to the Contest/Sweepstakes (including Contest/Sweepstakes landing page, registration page, thankyou page, COPPA black page, etc.) during the Contest/Sweepstakes set forth in the Official Rules for the purpose of allowing potential entrants to enter the Contest/Sweepstakes online and any additional period required by applicable Law(s);
- 8.5. <u>Applicant Registration</u>. In accordance with Paragraph 16.2.ii below, ensuring that the Contest/Sweepstakes registration:
- i. Requires entrants to enter all required personal and demographic information (e.g. name and address, e-mail address, etc.); and
- ii. Includes an opt-in button to receive marketing and promotional communications from Disney (to include Marvel marketing). On a weekly basis during the term of the Contest/Sweepstakes, Co-Promotion Partner shall provide to Disney all data submitted by those Contest/Sweepstakes entrants who opt-in to receive marketing/promotional materials from Disney via the Contest/Sweepstakes registration page.
- 8.6. <u>Contest/Sweepstakes Registration</u>. Registering the Contest/Sweepstakes and filing all required documentation (including the securing and filing of any required bonds) in all applicable governmental/regulatory bodies requiring any such registration and/or securing of a bond, if any;
- 8.7. <u>Collection</u>. Collecting and processing all valid entries in accordance with the Official Rules, all applicable Law(s) and all Contest/Sweepstakes Co-Promotional Materials;
- 8.8. <u>Processing</u>. Processing requests from entrants, including without limitation, requests for copies of Official Rules and the winner(s) list;

- 8.9. <u>Selecting Winners</u>. Selecting winner(s) in accordance with the Official Rules, and preparing and sending prize notifications to winner(s);
- 8.10. <u>Prizes</u>. Fulfilling all prizes for the Contest/Sweepstakes including responsibility for all costs and expenses (including travel and accommodations) associated with all prizes;
- 8.11. $\underline{\text{Tax}}$ (if applicable). Distributing appropriate tax forms to winners;
- 8.12. <u>Reporting to Marvel/Disney</u>. Providing Disney and Marvel with standard activity reports for the Contest/Sweepstakes as reasonably requested by Disney and/or Marvel and submitting to Disney and/or Marvel a certified list of winner(s) by prize;
- 8.13. Releases (if applicable). Obtaining an affidavit of eligibility and publicity/liability release from each winner, and a publicity/liability release from the travel companion of the travel prize winner if any, which documents will include adequate provisions that release Disney, Marvel, and their parent, subsidiary and affiliated companies from and against any and all liability arising from entrant submissions, administration and operation of the Contest/Sweepstakes, the use, non-use or misuse of any prize awarded or otherwise in connection with the Contest/Sweepstakes; and
- 8.14. <u>Record Retention</u>. To the extent required by Law(s), retaining a list of winners and storing entries.
- 9. <u>MINIMUM MESSAGES</u>. All elements of the Co-Promotion shall prominently incorporate the Release Date, approved "call to action" language (*e.g.* "in theatres [Theatrical Release Date]" or "available on DVD/Blu-ray [Home Entertainment Release Date]").
- 10. <u>COPYRIGHT & TRADEMARK NOTICE</u>. Co-Promotion Partner shall cause the copyright, trademark and/or service mark notices specified by Marvel to be printed irremovably and legibly on all Co-Promotion Materials and on all other items of any nature containing any material relating to the Property.
- 11. OWNERSHIP & RIGHTS TO CO-PROMOTION MATERIALS. All rights, title and interest in and to all Intellectual Property and materials created hereunder containing the Property Elements and any and all submissions (tangible and intangible, including without limitation any and all materials and ideas) by Contest/Sweepstakes entrants shall be done as works-made-for-hire (WFH) for Marvel within the meaning of the *US Copyright Act* and belong exclusively to Marvel who may use and exploit such Intellectual Property and materials without restriction. Co-Promotion Partner assigns to Marvel all rights, title and interest it may have or acquire in and to all proprietary depictions, expressions or derivations of the Property Elements created by or for Co-Promotion Partner in connection with the Agreement.
- 12. <u>SCREENINGS (if applicable)</u>. Any screening tickets are intended for use for the purpose(s) set forth in the Cover Agreement and may not be sold, bartered, transferred, or used in any other manner without Marvel's and Disney's prior written approval. Each screening will be held in a single theatre at an agreed upon location during the window commencing after the Movie's applicable premiere (US or international) and no earlier than 7:00 PM local time on the evening immediately preceding the Theatrical Release Date, and in no event may any Movie screening take place prior to the earliest theatrical release date of the Movie anywhere in the world. For the avoidance of doubt, the "Theatrical Release Date" shall mean the first full day that the Movie is released in the Territory (or applicable portion thereof). In no event shall Marvel or Disney be required to buyout (as opposed to

renting out) any theatre in order to fulfill any screening obligations and all screening dates, times and locations are subject to Marvel's approval in Marvel's sole discretion. Co-Promotion Partner understands that screenings need to be coordinated with the studio distributor of the Movie and screening-related offers shall be done in conjunction with the studio distributor. Marvel and Disney agree to put Co-Promotion Partner in contact with the studio distributor's team with respect to such promotions so that Co-Promotion Partner can coordinate these efforts. Advanced screenings shall be subject to Marvel's and Disney's customary security protocols and approvals. Co-Promotion Partner will be responsible for all travel and accommodation costs, if any.

13. PAYMENTS

- 13.1. <u>Taxes</u>. The Parties acknowledge that any payments (including any fees and royalties) payable to Marvel/Disney under the Agreement are or may be subject to one or more transaction tax(es) (e.g. business tax or value added tax (VAT) imposed by the government of the Territory, and that Marvel/Disney will charge such taxes on top of the payment amounts as stated in Financials/Payment Section of the Cover Agreement as well as any other fees payable to Marvel/Disney under the Agreement.
- 13.2. <u>Interest</u>. Any payment amounts due to be paid by Co-Promotion Partner (or its designees) to Marvel/Disney under the Agreement that are not paid by the applicable due date shall bear interest from the due date until paid at the rate that is the lesser of (i) ten percent (10%) compounded quarterly or (ii) the highest rate of interest then permissible by Law(s) in the Territory.
- 13.3. <u>Expenses</u>. Co-Promotion Partner agrees and acknowledges that Marvel/Disney shall not be required to expend out-of-pocket costs in connection with the Co-Promotion in excess of any payments already paid to Marvel/Disney, unless Co-Promotion Partner is willing to be solely responsible for such out-of-pocket costs or, if applicable, is willing to advance a portion of the remaining monies then owed to Marvel/Disney necessary to cover such out-of-pocket costs.
- 14. <u>RELATIONSHIP OF PARTIES; INDEPENDENT CONTRACTORS</u>. Nothing contained herein shall be so construed as to constitute the Parties as principal or agent, employer or employee, partners or joint venturers, no shall any similar relationship be deemed to exist between the Parties. Neither Party shall have any power to obligate or bind the other Party. The Parties shall be independent contractors, and all waivers of rights or obligations under the Agreement must be express.
- 15. THIRD PARTY CONTRACTS. Co-Promotion Partner shall be entitled to enter into contracts with third parties under the Agreement for the creation, production and distribution of all advertising, Digital Media, publicity and other press materials. No such third party contract shall relieve Co-Promotion Partner of any of its obligations hereunder and Co-Promotion Partner shall be primarily liable for the acts or omissions of its third party contractors and Disney, Marvel, and their affiliates shall be included as indemnified parties and third party beneficiaries in such contracts. In no event shall any such third party contract include the right to grant further rights. Upon Disney's and/or Marvel's reasonable request, Disney and/or Marvel shall be provided with copies of such third party contracts. Co-Promotion Partner may not assign, directly or indirectly whether by operation of law or otherwise, its rights or obligations under the Agreement to any third party.

16. REPRESENTATIONS, WARRANTIES, & COVENANTS.

16.1. <u>Disney & Marvel</u> (to the extent of their respective rights and obligations herein) each represents, warrants, and covenants that:

- i. It has the right, power and authority to enter into the Agreement and to grant the rights to Co-Promotion Partner granted hereunder;
 - ii. It is the copyright proprietor of the Property;
- iii. It will not create any expense chargeable to Co-Promotion Partner without Co-Promotion Partner's prior written consent.
- 16.2. <u>Co-Promotion Partner</u> represents, warrants, and covenants that:
- i. It has the right, power and authority to enter into the Agreement and grant the rights granted to Disney and Marvel hereunder;
- ii. It will conduct the Co-Promotion in compliance with all applicable laws, rules and regulations, including without limitation, local and national laws, rules and regulations, treaties, voluntary industry standards (if any), and other legal obligations pertaining to this and to any of Co-Promotion Partner's activities under the Agreement, including without limitation, those applicable to (a) any tax, (b) consumer and/or product safety, (c) data privacy and the privacy and protection of personally identifiable information, (d) the protection of minors, employees and the environment, (e) the United States Foreign Corrupt Practices Act of 1977 and any amendments thereto (and any local or foreign equivalent), (f) trade restrictions (e.g., customs, export and import controls, sanctions and embargoes) including United States trade restrictions, and (g) the manufacture, labeling, pricing, marketing, sale, or distribution of any and all products, merchandise, and/or materials (collectively, "Law(s)"), and in accordance with the terms of the Agreement.
- iii. All Co-Promotion Materials created pursuant to the Agreement will not infringe or violate any third party rights;
- iv. It will not disparage or bring into disrepute Marvel, Disney, the Property/Movie, or the Co-Promotion; and
- v. It will not incur third party charges against Marvel or Disney without the relevant Party's prior written consent.
- vi. All Co-Promotion Materials shall not include third party marks, names, or other intellectual property unless Marvel/Disney expressly consents in writing and Co-Promotion Partner has fully cleared such marks, names, or other intellectual property.
- 16.3. <u>Disney & Marvel and Co-Promotion Partner</u> represent, warrant, and covenant that: Marvel/Disney and Co-Promotion Partner may withdraw from the scope of this Agreement any artwork, characters or designs that might be reasonably claimed to infringe the rights of a third party. If either party withdraws materials under this Agreement, it will reimburse the other party for its reasonable, non-cancelable out-of-pocket costs, excluding overhead, related to the withdrawn materials.

17. <u>INDEMNITY</u>.

17.1. <u>By Co-Promotion Partner</u>. Co-Promotion Partner shall indemnify, defend and hold harmless Marvel and Disney, their parents, subsidiaries, affiliates, and their respective directors, officers, employees, agents, licensees, franchisees, successors, and assigns ("Marvel Indemnitees") from and against any and all third party claims, demands, actions, and proceedings ("Claims(s)"), along with any and all judgments, damages, losses, costs and expenses (including reasonable outside attorney's fees), and any and all other liabilities arising

therefrom (collectively along with Claims, "Liability(ies)") actually suffered by Marvel Indemnitees arising out of any breach or alleged breach by Co-Promotion Partner of its obligations, representations, warranties, or covenants hereunder, and/or any misconduct or negligence by Co-Promotion Partner, its subcontractors, and/or agents, or Co-Promotion Partner's co-promotional activities or the Participating Product(s)/Service(s).

17.2. <u>By Marvel / Disney</u>. Marvel and Disney shall indemnify, defend and hold harmless Co-Promotion Partner from and against any and all Liabilities actually suffered by Co-Promotion Partner arising out of any third party claim that the Property Elements provided by Marvel and/or Disney and used in the manner prescribed by Marvel and/or Disney infringes on the copyright of any third party. Notwithstanding the foregoing, neither Marvel nor Disney gives any warranty or indemnity with respect to any liability or expense arising from any claim that any use of Property on or in connection with Co-Promotion Materials, premiums, or Property Elements infringes any trademark right of any third party, or otherwise constitutes unfair competition.

17.3. <u>Indemnification Procedures</u>.

- i. <u>Notice</u>. The Party receiving notice of any Liability hereunder shall promptly notify the other Party thereof. Promptly after receipt by the indemnifying Party ("Indemnitor") of notice of any claim or commencement of any action or proceeding involving a Liability made against an indemnified party of the other Party (*i.e.* Marvel Indemnitee(s) or Co-Promotion Partner, as applicable; hereinafter, "Indemnitee"), the Indemnitor shall promptly give notice to the Indemnitee thereof. The failure of the Indemnitee to timely provide written notice of such Liability hereunder to the Indemnitor shall NEITHER:
- a. relieve the Indemnitor of its indemnification obligations hereunder, except to the extent that such failure results in the forfeiture of rights or defenses and the Indemnitor incurs an increased obligation to the Indemnitee under this Paragraph on account of such failure; NOR
- b. in any event relieve the Indemnitor of any liability with respect to the Indemnitee which the Indemnitor may have otherwise on account of the Agreement.
- ii. <u>Defense</u>. In the event of any Claim hereunder, the Indemnitor shall have the right to undertake and control the defense thereof with counsel of its choice, *provided however*, that:
- a. the Indemnitee may at its own cost and expense participate in and appear on an equal footing with the Indemnitor in such defense;
- b. the Indemnitee may undertake and control such defense in the event of a material failure of the Indemnitor to undertake and control the same within a reasonable period of time; and
- c. the defense of any Claim relating to the Intellectual Property rights of a Party hereunder or any of its affiliates or licensors and any related counterclaims shall be solely controlled by such Party with counsel of its choice.
- iii. <u>Settlements</u>. The Indemnitor shall not, without the prior written consent of the Indemnitee, concede, compromise, or settle any Claim (including any pending or threatened action or proceeding), unless such settlement includes: **(A)** an unconditional release of the Indemnitee from all liabilities on claims that are the subject matter of such action or proceeding; **(B)** no admission or

acknowledgment of culpability or wrongdoing by the Indemnitee; and **(C)** no provision for any nonmonetary relief to any person to be performed by the Indemnitee.

- iv. <u>Cooperation</u>. The Indemnitee shall make available to the Indemnitor at the Inemnitor's expense such information and assistance as the Indemnitor may reasonably request in connection with the defense of any Liability(ies) hereunder.
- 18. <u>INSURANCE</u>. The minimum limits of the insurance required hereunder shall in no way limit or diminish Co-Promotion Partner Parties' (*defined below*) liability under any provisions of the Agreement.
- 18.1. <u>Required Insurance Policies.</u> Co-Promotion Partner and any agent, vendor, supplier, contractor, consultant, and/or any other party performing services under a contract (whether oral or written) for or on behalf of Co-Promotion Partner in connection with the Co-Promotion and/or the Agreement ("Co-Promotion Partner Parties") shall, at its sole expense, throughout the performance of its services pursuant to the Agreement and for such additional time as may be specified below, maintain the following minimum insurance coverages:
- i. **Commercial General Liability Insurance** to include contractual liability, product / completed operations liability, and cross liability (which must be maintained for 3 years following completion of the work) with minimum limits of US\$2,000,000 written on an occurrence form basis.
- ii. **Automobile Liability Insurance** coverage with minimum combined single limits of US\$2,000,000. Coverage shall include all owned, leased, non-owned, and hired automobiles; protecting it, additional insured's and The Walt Disney Company (TWDC) from claims for personal injury (including bodily injury and death) and property damage which may arise from or in connection with the performance of Co-Promotion Partner Parties' services hereunder or from or out of any act or omission of Co-Promotion Partner Parties, its directors, officers, employees, agents, or subcontractors.
- iii. Workers Compensation Insurance as required by Laws, and Employer's Liability Insurance with minimum limits of US\$1,000,000.
- iv. **Professional Liability Insurance** with minimum limit of US\$1,000,000 per claim, protecting Vendor/Contractor and TWDC from errors and omissions (E&O) of Co-Promotion Partner Parties in connection with the performance of Co-Promotion Partner Parties's services during and for a period of at least 3 years after the completion of said services.
- 18.2. <u>Additional Insurance Policies</u>. In addition to the insurance policies listed in Subparagraph 18.1 (Required Insurance Policies) above, Co-Promotion Partner Parties shall also maintain the following additional insurance policies if applicable:
- i. **Network & Privacy (E&O) Insurance** if the Co-Promotion includes: **(A)** the display or distribution of information to eh public via the Internet or other means of communication (*e.g.* advertising on a website or on a mobile device); **(B)** exposure on any social media / networking sites; **(C)** e-mail newsletters or blasts; **(D)** SMS; and/or **(E)** the collection of personally identifiable information through any contest/sweepstakes entries on a website or otherwise. Such insurance policy shall be in an amount not less than US\$1,000,000 per claim and US\$1,000,000 in the aggregate, protecting Co-Promotion Partner Party, Marvel and its affiliates from the following exposures

relating to Co-Promotion Partner Party's performance in connection with the Agreement:

- a. The introduction of a computer virus into, or otherwise causing damage to, a computer, computer system, network, or similar computer-related property and the data, software, and programs used therein (collectively, "Network"); and
- b. The theft, dissemination, and/or unauthorized disclosure or use of confidential information and personally identifiable information (including but not limited to: social security numbers, health information, bank information, credit card account information, and/or confidential corporate information). Such insurance must also include coverage for credit monitoring, notification expenses, and other related costs associated with mitigating a data security or privacy breach (collectively, "Privacy").
- c. <u>Time Periods</u>. If such insurance is maintained on an occurrence basis, Co-Promotion Partner Party must maintain such insurance for an additional period of 1 year following the expiration of the Co-Promotion Period. If such insurance is maintained on a claimsmade basis, Co-Promotion Partner Party must maintain such insurance for an additional period of 3 years following the expiration of the Co-Promotion Period.
- Media (Producer's) (E&O) Liability Insurance if Co-Promotion Partner Party is to produce any commercials in connection with the Co-Promotion. Such insurance policy shall be for an amount of not less than US\$5,000,000 per claim with an annual aggregate limit of not less than US\$5,000,000 and deductible of not more than US\$25,000 (and any deductibles must be stated on the certificate of insurance), and cover such length of time as is necessary to cover any and all claims arising out of or relating to the production and any broadcasts of such commercials / media advertising. Such insurance policy shall have standard coverage, including but not limited to coverate with respect to libel/slander and other forms of defamation, infringements of common law or statutory copyright, infringements of rights in material to be broadcast or in the manner of presentation thereof, infringement of privacy rights, breach of implied contract, and unauthorized use of materials. Any coverage restrictions on the title, music, or other rights must be stated on the certificate of insurance and cleared prior to commencement of the Co-Promotion Period.
- iii. Contest/Sweepstakes (E&O) Insurance if Co-Promotion Partner Party includes any contest, sweepstakes, and/or other game in connection with the Co-Promotion, on Co-Promotion Partner Party's website or otherwise. Such insurance policy shall be in an amount not less than US\$1,000,000 per claim and US\$1,000,000 in the annual aggregate (or an amount as otherwise mutually determined by the Parties), protecting Co-Promotion Partner Party and Marvel and its affiliates from Co-Promotion Partner Party's performance in connection with the Agreement. Such insurance shall be maintained on an occurrence basis and be in force throughout the entire period that the contest, sweepstakes, and/or game (as applicable) is in effect.
- 18.3. <u>Additional Requirements</u>. All insurance required hereunder shall also be as follows:
- i. Written by companies with a BEST Guide rating of B+ VII or better;
- ii. Written on forms acceptable to TWDC and contain a provision or endorsement that the policy may not be cancelled, terminated, changed or modified unless 30 days prior written notice thereof is furnished to TWDC (certificate holder);

- iii. Be primary and not contributory with regards to any other available insurance to TWDC and its affiliated and related companies, and the shareholders, directors, officers, employees, agents, and assignees of each; and
- iv. Include TWDC and its affiliated and related companies and each of their respective shareholders, directors, officers, employees, agents, and assignees each as additional insureds (applies to all coverages except for Workers Compensation, Employers Liability Insurance, and Professional Liability Insurance) and contain a waiver of subrogation in their favor (applies to all insurance coverages hereunder).
- 18.4. <u>Certificates of Insurance</u>. Certificates of Insurance (and copies of policies, if required by TWDC) shall be furnished to TWDC.
- 18.5. <u>No Waiver</u>. TWDC's failure to request, review, or object to the terms and/or conditions of any such certificates of insurance or insurance policies hereunder shall not be deemed a waiver by Marvel or TWDC of any of Co-Promotion Partner Parties' obligations hereunder.
- 19. <u>FURTHER ASSURANCES</u>. The Parties agree to execute all required documents reasonably necessary to effectuate the intent of the Agreement.
- 20. AUDIT. Co-Promotion Partner shall keep and shall cause its affiliates and/or agencies to keep, in accordance with generally accepted accounting principles (GAAP), throughout the term of the Agreement ("Term") and for at least 5 years thereafter (collectively, "Audit Period"), complete and accurate books and records reflecting all transactions relating to the Agreement, including Co-Promotion Partner's obligations hereunder. Disney and/or Marvel shall have the right to audit such books and records and make copies thereof in order to verify items that including but are not limited to: inventory, statements or other proofs of payment, proof of obligations, commitments, value provided, affidavits and media/marketing spends. For the avoidance of doubt, barter transactions shall not qualify as ATL media spending under the Agreement. In the event Co-Promotion Partner does not satisfy its Guaranteed Media Spend, then Co-Promotion Partner will promptly pay to Disney a cash amount equal to the shortfall. The Parties also understand that Co-Promotion Partner has made certain BTL media commitment(s) under the Agreement. In the event that Co-Promotion Partner cannot verify (to the reasonable satisfaction of Marvel) that a BTL media commitment has been satisfied, then the Parties agree that Marvel's remedy will be a make good program (featuring the property/content and timing of Marvel's choosing) for the unsatisfied BTL media commitment. If a monetary value, number of impressions, any other measure of impact, or number of products was associated with the unsatisfied BTL media commitment, then the make good program will deliver the deficit in the number of impressions, any other measure of impact, money or products that was not verified as part of the original BTL media commitment. Solely by way of hypothetical example only, if Co-Promotion Partner had a BTL media commitment to conduct an e-mail blast that was supposed to be sent out to 50,000 users and it could only be verified that the e-mail blast was sent out to 25,000 users, then Marvel's remedy would be to request a similar e-mail blast to no less than 25,000 users as the make good program. If, for any period, a deficiency of 3% or more is discovered by any such examination, Co-Promotion Partner shall pay to Disney (or Marvel if costs incurred by Marvel) the cost and expenses of such examination or a \$1500 per diem as an examination audit fee, whichever is higher. If Co-Promotion Partner fails to comply with its obligations, Disney and/or Marvel shall

- have the right to estimate, and demand payment for, such additional payments as may be owed. If for any accounting period, a deficiency of 7% or more of the amounts paid to Disney for such period is discovered, then in addition to the above, Disney and/or Marvel shall have the right to immediately terminate the Agreement upon notice to Co-Promotion Partner, even if Co-Promotion Partner tenders the deficiency and associated costs and expenses to Disney and/or Marvel.
- 21. <u>CONFIDENTIALITY</u>. Any information and material acquired pursuant to the Agreement ("Confidential Information") shall be held in the strictest confidence by the Parties and their Agents. "Agents" means employees, independent contractors, consultants, and advisors. Co-Promotion Partner will be liable for disclosures by Co-Promotion Partner, Co-Promotion Partner's Agents, or anyone receiving confidential information from Co-Promotion Partner.
- 22. TERMINATION. If any Party breaches or fails to perform any material provision of the Agreement, and after having been given written notice and a 7 day opportunity to cure, still fails to perform, then the other Party shall have the right to terminate the Agreement upon 7 days written notice. Notwithstanding the foregoing or anything to the contrary in the Agreement, if Co-Promotion Partner fails to timely make any payment due to Marvel and/or Disney hereunder by the applicable due date, Marvel and Disney shall have the right to terminate the Agreement if Co-Promotion Partner fails to make such payment within 2 business days following Marvel's and/or Disney's notice to Co-Promotion Partner of such payment default. Marvel and/or Disney shall be excused from performance under the Agreement and shall not be liable for losses.
- 23. <u>CONCLUSION</u>. Upon expiration or termination of the Agreement, Co-Promotion Partner shall cease all uses of the Property Elements. Title to all remaining promotional materials, and all molds, plates, engravings and/or mechanicals used to make any of the promotional materials shall be deemed to have automatically vested in Marvel. Co-Promotion Partner shall, at Marvel's discretion, either deliver the remaining promotional materials to Marvel or destroy the promotional materials and prove such destruction to Marvel's satisfaction.
- 24. <u>LIABILITY & REMEDIES</u>. Marvel's and Disney's cumulative liability, if any, and Co-Promotion Partner's or any other party's sole and exclusive remedy for any loss or damages resulting from any claims, demand, or actions arising out of or relating to the Agreement shall not exceed the total sum of amounts payable to Marvel under the Financials/Payment Section of the <u>Cover Agreement</u>. In no event shall Marvel or any of its affiliates be liable for speculative, indirect, punitive, or special damages, or for the loss of anticipated profits or business interruption, even if Marvel or Disney has been advised of the possibility of such loss or damages and regardless of whether any remedy set forth herein fails of its essential purpose. Co-Promotion Partner shall in no event be entitled to injunctive relief and Marvel and/or Disney shall be entitled to injunctive relief, if necessary, to preserve its goodwill, without requiring the posting of a bond or other similar security.
- 25. <u>NO WAIVER</u>. The failure of either Party to object to or take affirmative action with respect to any conduct of the other which is a breach of the terms of the Agreement shall not be construed as a waiver thereof or of any future breach or subsequent wrongful conduct. No waiver, modification or cancellation of any term or condition of the Agreement shall be effective unless executed in writing by the Party charged therewith.
- 26. GOVERNING LAW, JURISDICTION, FORUM, & DISPUTE RESOLUTION. The Agreement shall be interpreted under the internal

laws of the State of California, USA, without reference to its choice of law principles. Any controversy or claim arising out of or relating to the Agreement, its enforcement, arbitrability, or interpretation, and any dispute between the Parties under or relating to the subject matter of the Agreement shall be settled exclusively and finally by arbitration by 1 neutral arbitrator under either,: i) if the Territory(ies) includes the USA, the Rules of the Judicial Arbitration and Mediation Services (JAMS), or ii) otherwise, under the of the International Chamber of Commerce (ICC). Co-Promotion Partner consents to service of process by registered airmail. The seat of the arbitration tribunal shall be Los Angeles, California, and the proceedings shall be conducted in English. If proper notice of any hearing has been given, the arbitrator will have full power to proceed to take evidence or to perform any other acts necessary to arbitrate the matter in the absence of any Party that fails to appear. The arbitration shall be a confidential proceeding, closed to the general public. The arbitrator shall issue a written opinion stating the essential findings and conclusions upon which the arbitrator's award is based. The Parties agree that the arbitrator is not authorized to award any punitive or exemplary damages whatsoever and the parties will not seek to collect or enforce any part of any award inconsistent with this limitation on the authority of the arbitrator. The arbitrator's decision shall be final and binding up on the parties, and judgment upon the award may be entered in any court having jurisdiction thereof. Nothing contained in the Agreement shall preclude Marvel from bringing an action in any appropriate forum to seek injunctive relief to enforce the terms and provisions of the Agreement. Each Party shall bear its own costs of the arbitration, including attorney's fees, and shall share equally the arbitrator's fee and JAM's or ICC's administrative costs.

- 27. <u>SURVIVAL</u>. The following provisions hereof shall survive the expiration or termination of the Agreement:
 - 27.1. Paragraph 4 (Licensed Products, Premiums and Other Promotional Items)
 - Paragraph 11 (Ownership & Rights to Co-Promotion Materials)
 - 27.3. Paragraph 13 (Payments)
 - 27.4. Paragraph 14 (Relationship of Parties; Independent Contractors)
 - 27.5. Paragraph 16 (Representations, Warranties, & Covenants)
 - 27.6. Paragraph 17 (Indemnity)
 - 27.7. Paragraph 20 (Audit)
 - 27.8. Paragraph 21(Confidentiality)
 - 27.9. Paragraph 24 (Liability & Remedies)
 - 27.10. Paragraph 25 (No Waiver)
 - 27.11. Paragraph 26 (Governing Law; Jurisdiction; Forum; Dispute Resolution)
- 28. <u>SECTION/PARAGRAPH HEADINGS & PAGE HEADERS/FOOTERS</u>. All section/paragraph headings and page headers and footers herein are provided for convenience of reference only and shall not be used to modify, construe or interpret in any way any provision of, nor constitute a part of, the Agreement for any purpose whatsoever.
- 29. <u>ENTIRE AGREEMENT; AMENDMENTS</u>. The Agreement comprised of the <u>Cover Agreement</u>, these <u>Standard Terms & Conditions</u>, and all

Exhibit(s) referenced herein, represents the entire understanding between the Parties in connection with the subject matter hereof and supersedes any and all prior agreements and understandings, whether written or oral, and may not be amended other than by an instrument in writing signed by all Parties.

END OF STANDARD TERMS & CONDITIONS



PRODUCT INTEGRITY PROVISIONS FOR CO-PROMOTION AGREEMENTS EXHIBIT QC – Product Integrity Provisions

This <u>Exhibit QC – Product Integrity Provisions</u> and the documents referenced herein, as updated from time to time, are incorporated into the <u>CO-PROMOTION AGREEMENT</u> (the "<u>Agreement</u>") by and between Marvel Studios LLC ("Marvel") and Co-Promotion Partner. All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement. Co-Promotion Partner must comply with the Product Integrity Provisions. Failure by Co-Promotion Partner to comply with any of the provisions hereunder shall be a material breach of the Agreement.

DEFINED TERMS

"Audit Period" means the Term of the Agreement plus any Sell-Off Period, if granted, plus five (5) years thereafter, taking into account any tolling as set forth in the Agreement.

"Facility" means any of Co-Promotion Partner's own or third-party manufacturers, vendors, factories, farms, suppliers and other facilities (as well as any subcontractors) that produce, process, finish, assemble (including without limitation, the combination of one (1) or more individual Merchandise together into a separate Merchandise set, bundle or multi-pack), or package Merchandise, components of Merchandise, PA Materials or other items related to Merchandise, components of Merchandise or PA Materials, in each case in physical form (i.e., not in digital form only).

"Licensed Material" means all intellectual property being licensed as well as all material (including without limitation any derivative works) owned by Marvel, Disney and/or its affiliates, including without limitation any intellectual property related to the Property, PA Materials, Merchandise, and trademarks.

"Marvel Website" means http://marvel.com/PromotionsTC (or any successor or additional websites as determined by Marvel from time to time).

"Merchandise" means merchandise (i.e. consumer products of every nature and description, including without limitation, their associated labels, hangtags, packaging, and containers) that (i) incorporate, reproduce, display, reference or otherwise use the Licensed Material and/or (ii) are distributed or sold in connection with PA Materials, and any related materials thereto, including without limitation Licensed Products, Premiums and/or Promotional Items.

"PA Materials" means any promotional, advertising and marketing materials (including without limitation, those relating to and/or consisting of (i) sweepstakes, contests or other similar games, (ii) television, radio, internet, print, wireless and outdoor advertisements, (iii) catalogs, circulars and other mailings, (iv) blogs, social media posts, ad placements, texts, tweets, instant messages and push notifications, (v) website pages, (vi) videos, (vii) in-store materials (e.g., displays, banners, signage, posters, endcaps, wrappers and standees) and (viii) press releases and any other public statements or disclosures) that incorporate, reproduce, display, reference or otherwise use the Licensed Material, in each case in accordance with the Agreement, in any and all media or platforms now known or hereafter devised.

"OPA" means Marvel's online product approval system.

"SKU" means each unit of an item offered for sale that has any characteristics that differentiate it from other items offered for sale. Those distinguishing characteristics may include without limitation, product type, manufacturer, name, description, material, size, color, markings, packaging and warranty terms. "SKU" may also mean, as the context requires, the item's unique identifier or product code which may vary worldwide (e.g., SKU, Universal Product Code (UPC), an International Article Number (EAN), Global Trade Item Number (GTIN), and Japanese Article Number (JAN)).

Product Integrity Provisions

A. Compliance with Applicable Requirements: Merchandise

Co-Promotion Partner covenants and warrants that each Merchandise shall (1) be new, suitable for the purpose for which it is intended, of good quality and free of defects in design, construction, materials and workmanship, (2) comply with all Laws for the relevant country or countries of distribution, (3) comply with any Product Integrity Co-Promotion Partner Requirements, and (4) conform to the Production Sample approved by Marvel. "Product Integrity Co-Promotion Partner Requirements" means additional requirements, if any, established by Marvel with respect to the quality and safety of Merchandise. The Product Integrity Co-Promotion Partner Requirements are posted on the Marvel Website. Marvel may modify the Product Integrity Co-Promotion Partner Requirements from time to time. Marvel shall provide reasonable notice to Co-Promotion Partner of any material modification thereof. Marvel may provide such notice through the Marvel Website. Merchandise not manufactured in compliance with the foregoing covenants and warranties shall be deemed unapproved, even if previously approved by Marvel. Co-Promotion Partner shall not relinquish custody or control over such Merchandise unless and until they have been brought into full compliance therewith.

B. <u>Compliance Verification</u>

- 1. Both before and after Co-Promotion Partner initially distributes Merchandise:
 - a. For Co-Promotion Partners in North America: Co-Promotion Partner shall follow reasonable and proper procedures for verifying that Merchandise comply with all Laws and any Product Integrity Co-Promotion Partner Requirements, including without limitation, and as required by Law or Marvel, conducting safety tests using accredited and independent testing facilities or other accredited testing facilities, as approved by Marvel.
 - b. For Co-Promotion Partners outside of North America: Co-Promotion Partner shall follow reasonable and proper procedures for verifying that Merchandise comply with all Laws and any Product Integrity Co-Promotion Partner Requirements, including, without limitation, and as required by Law or Marvel/Disney, conducting safety tests using accredited and independent testing facilities or other accredited testing facilities, as approved by Marvel/Disney, and providing such test reports or other compliance documentation to Marvel/Disney as requested.
- 2. As a condition of receiving Marvel's approval as set forth in Paragraph 4 of the Standard Terms and Conditions of the Agreement and OPA:
 - a. For Co-Promotion Partners in North America: Co-Promotion Partner shall submit test reports or other compliance documentation for all countries of distribution demonstrating compliance with all Laws and Product Integrity Co-Promotion Partner Requirements, all as designated by Marvel. Marvel may withhold its approval of a Production Sample as required in Paragraph 4 of the Standard Terms and Conditions of the Agreement and OPA until Marvel obtains such test reports or other compliance documentation demonstrating compliance with all Laws and Product Integrity Co-Promotion Partner Requirements as determined by Marvel in its absolute discretion. Co-Promotion Partner shall submit test reports or other compliance documentation directly through OPA or as otherwise designated by Marvel. Co-Promotion Partner's submission of such test reports or compliance documentation must include information designated by Marvel sufficient to enable Marvel to identify such test reports or compliance documentation with the corresponding Merchandise. Co-Promotion Partner shall retain documentation of all test reports or other compliance documentation for all countries of distribution as required herein for the Audit Period.

- b. For Co-Promotion Partners outside of North America: If requested by Marvel/Disney, Co-Promotion Partner shall submit test reports and other compliance documentation as required by Marvel/Disney. Co-Promotion Partner's submission of such test reports or other compliance documentation must include information designated by Marvel sufficient to enable Marvel/Disney to identify such test reports or compliance documentation with the corresponding Merchandise.
- 3. Co-Promotion Partner covenants that, following initial distribution of Merchandise as set forth in Section B.1 above, Co-Promotion Partner shall continuously follow reasonable and proper procedures for verifying that all Merchandise remains in full compliance with all Laws and Product Integrity Co-Promotion Partner Requirements. Such procedures may include, without limitation, re-testing Merchandise if there are changes in the production run of any SKU of all Merchandise (including, without limitation, any change in materials, components, manufacturing processes or manufacturing facilities), changes in the countries of distribution, or if any significant time elapses between production runs of the same SKU of all Merchandise.

C. <u>Notices of Product Claims</u>

- 1. Co-Promotion Partner shall give Marvel written notice, within seven (7) days, of any product liability claims made or suits filed with respect to any Merchandise.
- 2. Co-Promotion Partner shall immediately notify Marvel (i) if Co-Promotion Partner obtains information reasonably supporting the conclusion that any Merchandise may fail to comply with one (1) or more Laws or Product Integrity Co-Promotion Partner Requirements or may contain a defect that could create a substantial risk of injury to the public as described in 15 U.S.C. 2064 or (ii) of any communication to or from the Consumer Products Safety Commission ("CPSC") or other federal, state, provincial or local consumer safety agency with jurisdiction over the Merchandise (the "Regulatory Agency") regarding the Merchandise, including without limitation, any notices of investigations or directives and thereafter in each case shall provide Marvel with timely information regarding further developments. Co-Promotion Partner agrees to discuss immediately in good faith with Marvel the nature of the issue and the additional steps necessary to further investigate the matter.
- 3. In the event any product liability claim is made to Marvel directly regarding any Merchandise, Co-Promotion Partner agrees to discuss immediately in good faith with Marvel the nature of the issue and the additional steps necessary to further investigate the matter, including providing appropriate documentation as requested by Marvel.
- 4. Without limiting Sections C.1 through C.3 above, Co-Promotion Partner also shall permit Marvel's designees to inspect testing and quality control records and procedures, and to test Merchandise for compliance with Laws and Product Integrity Co-Promotion Partner Requirements at any time and for the Audit Period; however, Marvel shall not be required to conduct such testing. Co-Promotion Partner agrees to promptly reimburse Marvel for the actual costs of such inspection and testing if Merchandise does not pass the test.

D. <u>Recalls and Other Corrective Actions</u>

1. If Marvel or Co-Promotion Partner reasonably concludes from information supplied by any source that a defect or failure to comply as described in Section C (Notices of Product Claims) above exists, then Co-Promotion Partner shall at its expense take such action as is required by Laws, including without limitation, notifying the appropriate Regulatory Agency in the country in which the Merchandise is being sold or distributed to consumers. Co-Promotion Partner shall take such actions as the Regulatory Agency shall require, including without limitation, (a) notifying the public of such failure or defect, (b) retrieving, recalling or withdrawing the Merchandise from Authorized Customers, (c) destroying, repairing and/or replacing the Merchandise, and (d) refunding sums paid and expenses incurred by consumers and others by reason of the recall. Co-Promotion Partner shall promptly provide Marvel with information

regarding the foregoing, including without limitation, contemporaneous copies of correspondence, reports or other communications with the Regulatory Agency. In the event the applicable Law does not require Co-Promotion Partner to notify the Regulatory Agency or, in the event notification has taken place but there is no direction given by the Regulatory Agency, Co-Promotion Partner shall discuss in good faith with Marvel the steps to be taken and shall at Co-Promotion Partner's expense take such steps as Marvel, in its reasonable discretion, shall direct. Marvel reserves the right to notify the Regulatory Agency about the Merchandise at issue in the event that Co-Promotion Partner does not do so and Marvel deems it prudent to do so. Whether Marvel or Co-Promotion Partner notifies a Regulatory Agency that a defect or failure to comply exists, all reasonable expenses paid or incurred by Marvel by reason of or in connection with such notification, including without limitation, all expenses in connection with a recall, shall be promptly reimbursed by Co-Promotion Partner to Marvel.

2. Co-Promotion Partner shall provide Marvel with all proposed public notices or statements of any kind regarding a failure, defect, withdrawal or recall of any Merchandise (including without limitation, press releases, posters, tweets, texts, and/or social media postings) for Marvel's review and written approval prior to issuance. The obligations of Co-Promotion Partner under these Sections A through D are in addition to and not in limitation of other obligations, representations, warranties and indemnities of Co-Promotion Partner.

E. <u>Compliance with Applicable Requirements: PA Materials</u>

Co-Promotion Partner covenants and warrants that each PA Material shall (1) be new, suitable for the purpose for which it is intended, of good quality and free of defects in design, construction, materials and workmanship and (2) comply with all Laws for the relevant country or countries of distribution. PA Materials not manufactured in compliance with the foregoing covenant and warranty shall be deemed unapproved, even if previously approved by Marvel. Co-Promotion Partner shall not relinquish custody or control over such PA Materials unless and until they have been brought into full compliance therewith.



ILS PROGRAM FOR CO-PROMOTION AGREEMENTS EXHIBIT ILS – ILS Program

This <u>Exhibit ILS</u> and the documents referenced herein, as updated from time to time, are incorporated into the <u>CO-PROMOTION AGREEMENT</u> (the "<u>Agreement</u>") by and between Marvel Studios LLC ("<u>Marvel</u>") and Co-Promotion Partner. All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement. Co-Promotion Partner must comply with the ILS Program. Failure by Co-Promotion Partner to comply with any of the provisions hereunder shall be a material breach of the Agreement.

DEFINED TERMS:

"Affiliates" means, with respect to a Person, any other Person that, directly or indirectly, Controls, is Controlled by, or is under common Control with, such Person.

"Code" means (i) the Code of Conduct for Manufacturers adopted by The Walt Disney Company and its Affiliates ("TWDC's Code"), (ii) other substantially equivalent labor standards accepted from time to time by Marvel as described in the ILS Program Manual, or (iii) another set of labor standards agreed to by Marvel in its absolute discretion. TWDC's Code, the current version of which is included herein, is also posted on the ILS Website.

"Control" (including the terms "Controlling," "Controlled by," and "under common Control with") means possession, directly or indirectly, through one (1) or more intermediaries, of the power to direct or cause the direction of management and policies of a Person, whether through ownership of voting securities or otherwise.

"Facility" means any of Co-Promotion Partner's own or third-party manufacturers, vendors, factories, farms, suppliers and other facilities (as well as any subcontractors) that produce, process, finish, assemble (including without limitation, the combination of one (1) or more individual Merchandise together into a separate Merchandise set, bundle or multi-pack), or package Merchandise, components of Merchandise, PA Materials or other items related to Merchandise, components of Merchandise or PA Materials, in each case in physical form (i.e., not in digital form only) that contain, incorporate or apply any Licensed Material.

"FAMA Application" means a Facility and Merchandise Authorization ("FAMA") Application a current sample of which is included herein, which Co-Promotion Partner must complete and submit to Marvel for each Facility using the most current version of the FAMA Application found on the ILS Website.

"ILS Audit" means a labor standards inspection and/or audit of a Facility used to assess whether the Facility complies with the ILS Minimum Compliance Standard, the Code and pertinent Laws.

"ILS Minimum Compliance Standard" means the minimally acceptable level of compliance with the Code as required by the ILS Program and as evidenced by (i) the absence of any (a) child labor, (b) involuntary labor, (c) coercion and/or harassment, (d) discrimination, (e) serious health and safety workplace violations, (f) interference with freedom of association, and (g) unauthorized subcontracting, and (ii) the provision of all information necessary to assess compliance with the Code and pertinent Laws (e.g., complete and accurate records, and access to Facility personnel and premises).

"ILS Program" means The Walt Disney Company's policies, procedures and requirements with respect to international labor standards ("ILS"). The ILS Program is described in Exhibit ILS and in the ILS Program Manual.

"ILS Program Manual" means the document containing details of the ILS Program.

"ILS Website" means www.disneylaborstandards.com (or any successor website).

"Licensed Material" means all intellectual property being licensed as well as all material (including without limitation any derivative works) owned by Marvel, Disney and/or its Affiliates, including without limitation any intellectual property related to the Property, PA Materials, Merchandise, and trademarks.

"Merchandise" means merchandise (i.e. consumer products of every nature and description, including without limitation, their associated labels, hangtags, packaging, and containers) that (i) incorporate, reproduce, display, reference or otherwise use the Licensed Material and/or (ii) are distributed or sold in connection with PA Materials, and any related materials thereto, including without limitation Licensed Products, Premiums and/or Promotional Items.

"PA Materials" means any promotional, advertising and marketing materials (including without limitation, those relating to and/or consisting of (i) sweepstakes, contests or other similar games, (ii) television, radio, internet, print, wireless and outdoor advertisements, (iii) catalogs, circulars and other mailings, (iv) blogs, social media posts, ad placements, texts, tweets, instant messages and push notifications, (v) website pages, (vi) videos, (vii) in-store materials (e.g., displays, banners, signage, posters, endcaps, wrappers and standees) and (viii) press releases and any other public statements or disclosures) that incorporate, reproduce, display, reference or otherwise use the Licensed Material, in each case in accordance with the Agreement, in any and all media or platforms now known or hereafter devised.

"Person" means any individual or form of legal entity.

"Permitted Sourcing Country(ies)" means those countries specified by Marvel/Disney in or from which Co-Promotion Partner may manufacture or source Merchandise, PA Materials and components thereof (including without limitation, raw materials and blank items). Marvel/Disney may establish additional requirements as a condition to conducting any of the foregoing activities in certain Permitted Sourcing Countries. The current list of Permitted Sourcing Countries is posted on the ILS Website and included in the ILS Program Manual.

"Prohibited Persons" means (i) those Persons with whom Co-Promotion Partner may not conduct business by Law, and/or (ii) those additional Persons with whom Co-Promotion Partner is prohibited by Marvel/Disney from engaging in any activities under the Agreement (including without limitation, for reasons of intellectual property protection and enforcement, concerns for political or human rights, or environmental protection). Information regarding the list of Prohibited Persons is posted on the ILS Website and included in the ILS Program Manual.

ILS Program

Disclosure of Facilities and Consent to Use. Co-Promotion Partner shall disclose to Marvel each Facility that Co-Promotion Partner proposes to use hereunder, and Marvel's written consent to use each such proposed Facility is required prior to the commencement of production of Merchandise or PA Materials in such Facility. Co-Promotion Partner shall disclose a Facility, and request Marvel's consent to use such Facility, by providing to Marvel a completed FAMA Application for each Facility. Prior to determining whether or not to grant its consent to use a Facility, Marvel may require (1) Co-Promotion Partner to provide a pre-production ILS Audit of the Facility demonstrating the Facility's compliance with at least the ILS Minimum Compliance Standard and/or (2) Co-Promotion Partner and/or the Facility to comply with any conditions applicable to the Permitted Sourcing Country in which the Facility is located. Marvel may withhold its consent prior to the commencement of production for any Facility which, inter alia, (a) Marvel reasonably believes does not comply with the ILS Minimum Compliance Standard, (b) Marvel reasonably believes an ILS Audit was obtained through fraud, bribery, or other improper influence, (c) is not located in a Permitted Sourcing Country, (d) constitutes or involves a Prohibited Person, (e) has not shown continuous improvement towards full compliance with the Code, according to information contained in the ILS Program database, or (f) does not comply with any conditions applicable to the Permitted Sourcing Country in which the Facility is located (or with which Co-Promotion Partner does not comply if such conditions apply to the Co-Promotion Partner). Marvel shall evidence its consent to the use

- of a Facility by providing Co-Promotion Partner with a signed FAMA. Co-Promotion Partner shall not commence production of any Merchandise or PA Materials at a Facility until Co-Promotion Partner receives the signed FAMA for such Facility from Marvel. Marvel shall incur no liability hereunder for any failure or reasonable delay in providing Co-Promotion Partner with a signed FAMA. Co-Promotion Partner shall promptly (but no later than within thirty (30) days) notify Marvel in writing when Co-Promotion Partner (i) ceases to use a previously declared and authorized Facility for any reason or does not have a reasonable intention to use such Facility hereunder within twelve (12) months or (ii) has not used a previously declared and authorized Facility for twelve (12) months and has not placed an order to be fulfilled within the next twelve (12) months. Co-Promotion Partner shall provide Marvel with an updated list of Facilities or evidence of Facility use hereunder at any time upon request from Marvel.
- B. <u>Compliance with ILS Minimum Compliance Standard and the Code</u>. Co-Promotion Partner shall use only Facilities that comply with at least the ILS Minimum Compliance Standard (except during a period of remediation in accordance with Section F (Remediation) below) and shall ensure that such Facilities fully comply with the Code to the extent it is commercially reasonable. Co-Promotion Partner shall distribute the Code to all of its Facilities. The Code and the ILS Minimum Compliance Standard shall not be interpreted to require Co-Promotion Partner or its Facilities to violate any applicable Law.
- C. ILS Audits by Marvel. Marvel and/or its designated representatives shall have the right, at Marvel's expense and without prior notice to Co-Promotion Partner or the Facility, to conduct ILS Audits of any Facility. Such ILS Audits may be conducted prior to and as a condition of Co-Promotion Partner's use of the Facility as set forth in Section A (Disclosure of Facilities and Consent to Use) above, or at any time up to the date that Co-Promotion Partner notifies Marvel that Co-Promotion Partner has ceased to use such Facility. Except when Marvel or its designated representative conducts unannounced ILS Audits, Marvel shall endeavor to coordinate with Co-Promotion Partner in scheduling ILS Audits. In connection with any ILS Audit conducted by Marvel, Co-Promotion Partner shall promptly confirm use of the Facility hereunder upon request from Marvel. It is Co-Promotion Partner's responsibility to obtain the Facility's agreement to provide Marvel with full access to the Facility and all applicable books and records for ILS Audits. Co-Promotion Partner shall promptly reimburse Marvel for the reasonable cost of an ILS Audit (currently One Thousand Five Hundred U.S. Dollars (US \$1,500.00), but subject to change) performed or attempted to be performed by Marvel and/or its designated representatives when (1) any Facility fails to meet the ILS Minimum Compliance Standard, (2) any Facility refuses to grant full access to the Facility and all applicable books and records, or (3) Co-Promotion Partner has failed to timely notify Marvel of the non-use or cessation of use of the Facility as required by Section A (Disclosure of Facilities and Consent to Use) above. The amount Co-Promotion Partner reimburses Marvel shall not be pro-rated in the event the Facility is also used by other licensees or vendors of Marvel or its Affiliates.
- D. ILS Audits from Co-Promotion Partner. In accordance with the ILS Program Manual, Co-Promotion Partner shall provide Marvel, at Co-Promotion Partner's expense, with ILS Audit reports for designated Facilities demonstrating compliance with at least the ILS Minimum Compliance Standard. Marvel may require Co-Promotion Partner to submit such ILS Audit reports prior to, and as a pre-condition of, the use of a Facility and/or at any time prior to the date Co-Promotion Partner notifies Marvel that Co-Promotion Partner has ceased to use such Facility. All ILS Audits provided by Co-Promotion Partner shall (1) be in a format and conducted pursuant to a methodology acceptable to Marvel, (2) be conducted by Co-Promotion Partner's internal personnel or third parties, in either case acceptable to Marvel, and (3) be conducted and provided within the time periods designated by Marvel. Co-Promotion Partner agrees to comply with all applicable privacy and data protection Laws with regard to its monitoring activities of Facilities and to the submission of information to Marvel regarding Facilities and the ILS Audit reports of such Facilities, including without limitation, Laws pertaining to protection of personally identifiable information and the protection of minors. The provision of an ILS Audit report by Co-Promotion Partner hereunder with respect to any Facility, regardless of the determination made by Marvel with respect to such ILS Audit, shall not limit Marvel's right, as set forth above, to conduct or otherwise obtain its own ILS Audit of such Facility.
- E. <u>Determinations</u>. The determination of whether an ILS Audit indicates compliance with the ILS Minimum Compliance Standard, the Code or applicable Laws shall be a matter within Marvel's absolute

discretion. Marvel may reject any ILS Audit (and thereby withhold or revoke authorization to use a Facility) if Marvel reasonably believes that the ILS Audit was obtained or undermined through fraud, bribery, actual or threats of physical violence or other improper influence.

- F. <u>Remediation</u>. As a condition to Co-Promotion Partner's continued use of a Facility that does not comply with the ILS Minimum Compliance Standard, Co-Promotion Partner shall, at no cost or expense to Marvel, take appropriate and prompt steps to require the Facility to remediate all instances of Facility non-compliance with the ILS Minimum Compliance Standard within the time periods designated by the ILS Program and to provide Marvel with an ILS Audit report or other evidence, satisfactory to Marvel, of remediation of such Facility non-compliance.
- Cessation of Facility Use. Marvel may revoke any previous Facility authorization if (1) Co-Promotion Partner ceases to use the Facility and does not have a reasonable intention to use such Facility hereunder within twelve (12) months, (2) Co-Promotion Partner has not used the Facility for twelve (12) months and has not placed an order to be fulfilled within the next twelve (12) months, (3) Marvel is unable to conduct an ILS Audit as a result of Co-Promotion Partner's failure to timely confirm the status of the Facility and/or provide accurate Facility information, (4) Marvel determines from an ILS Audit or otherwise that the Facility does not comply with the ILS Minimum Compliance Standard and such failure(s) is not remedied pursuant to Section F (Remediation) above, (5) Marvel reasonably believes that an ILS Audit was obtained or undermined through fraud, bribery, actual or threats of physical violence or other improper influence, (6) Co-Promotion Partner fails to conduct and/or provide to Marvel any ILS Audit as required hereunder, (7) the country in which the Facility is located is no longer a Permitted Sourcing Country, (8) the Facility constitutes or involves a Prohibited Person, (9) the Facility and/or Co-Promotion Partner does not comply or continue to comply with any conditions applicable to the Permitted Sourcing Country in which the Facility is located, (10) the Facility has not shown continuous improvement toward full compliance with the Code, or (11) the Facility uses the Licensed Material or any other intellectual property owned, co-owned or licensed by Marvel, its Affiliates or its/their licensors for any unauthorized purpose and does not halt such unauthorized activities within the time designated by Marvel. If Marvel revokes a Facility authorization, then Co-Promotion Partner shall not use or shall cease using such Facility for Merchandise promptly, not to exceed thirty (30) days from Marvel's written notice to Co-Promotion Partner, or as otherwise required by Law. If Co-Promotion Partner ceases to use a third party Facility for any other reason, upon Marvel's request, Co-Promotion Partner shall disclose to Marvel in reasonable detail any information known to Co-Promotion Partner relating to such Facility's failure to comply with the ILS Minimum Compliance Standard, the Code and/or any Law.
- Н. Material Breaches. Failure to comply with the ILS Program shall constitute a material breach of the Agreement. In addition to and without waiving any other rights or remedies available to Marvel, upon discovery of each instance of the following failures by Co-Promotion Partner with respect to each and every Facility, Marvel may assess Co-Promotion Partner an appropriate fee up to Five Thousand U.S. Dollars (US \$5,000.00) per failure to defray Marvel's costs and/or fund other efforts of the ILS Program, and in the event that Marvel does assess Co-Promotion Partner, then Co-Promotion Partner shall immediately pay Marvel the assessed amount: (1) failure to disclose to Marvel a Facility through a FAMA Application prior to production of Merchandise or PA Materials at such Facility, (2) commencing production of Merchandise or PA Materials at a Facility prior to obtaining Marvel's consent to use such Facility as evidenced by a FAMA signed by Marvel, (3) failure to conduct an ILS Audit and provide to Marvel any ILS Audit report as required hereunder, (4) use of a Facility in a country that is not a Permitted Sourcing Country, (5) failure to comply with any conditions applicable to the Permitted Sourcing Country in which a Facility is located, (6) failure to cease using a Facility pursuant to Section G (Cessation of Facility Use) above, and/or (7) failure to timely notify Marvel that Co-Promotion Partner has not used or has ceased using a previously disclosed and authorized Facility as required hereunder. Marvel may direct Co-Promotion Partner not to sell or distribute Merchandise and PA Materials produced in breach of the Agreement, or to destroy, donate, or otherwise dispose of (as directed by Marvel) such Merchandise and PA Materials. In addition, if Co-Promotion Partner's action(s) or inaction(s) cause(s) Marvel to be subject to any penalty or expense, Co-Promotion Partner shall fully reimburse Marvel for such costs. Acceptance or waiver of payments under any of the

foregoing subclauses shall not affect any other rights or remedies available to Marvel, including without limitation, termination of the Agreement, indemnification, and/or Marvel's right to require strict compliance by Co-Promotion Partner with the terms and conditions of the applicable Agreement thereafter.

- I. Disclosure of ILS Audits and Facilities. Notwithstanding anything to the contrary in the Agreement:
 - (1) Marvel may disclose ILS Audits to third parties (including other licensees and vendors of Marvel using the same Facility and non-governmental organizations) (collectively, "Third Parties") but may not reference the identity of Co-Promotion Partner in such disclosure without the prior written consent of Co-Promotion Partner unless required by applicable Law or court order;
 - (2) Co-Promotion Partner may disclose ILS Audits to Third Parties but may not reference Marvel, the Licensed Material, Merchandise or PA Materials in such disclosure without the prior written consent of Marvel unless required by applicable Law or court order;
 - (3) Marvel may disclose publicly, as part of its ILS Program, the names and addresses of all Facilities;
 - (4) As part of its anti-piracy efforts, and/or to facilitate shipping, Marvel may communicate with, and provide information to, customs and law enforcement officials globally and/or other Third Parties that may assist with such efforts in order to identify authorized users of intellectual properties owned or controlled by Marvel or its Affiliates, including the identification of Co-Promotion Partner, the Facilities, authorized shippers, and other information found in the FAMA Application; and
 - (5) Marvel may disclose the information identified in Section I.(4) above as Marvel may deem necessary to enforce its contract rights and/or protect its intellectual property rights.
- J. <u>Permitted Sourcing Countries and Prohibited Persons</u>. Co-Promotion Partner shall only use Facilities in Permitted Sourcing Countries (subject to any applicable conditions). Co-Promotion Partner may not use any Facility that involves a Prohibited Person. Co-Promotion Partner may not manufacture or source Merchandise, PA Materials or components thereof (including without limitation, raw materials and blank items) from any (1) country other than a Permitted Sourcing Country or (2) Prohibited Person.

Marvel may modify the list of Permitted Sourcing Countries from time to time (a) as required by Law and/or (b) based upon Marvel's determination not to permit the sourcing or manufacturing of Merchandise, PA Materials or components thereof (including without limitation, raw materials and blank items), based upon, without limitation, reasons of intellectual property protection and enforcement, concerns for political or human rights, or environmental protection. If a Permitted Sourcing Country becomes prohibited by Law, such country shall be deemed automatically removed from the list of Permitted Sourcing Countries as of the effective date of such Law without need of any notice from Marvel. It is Co-Promotion Partner's responsibility to monitor any such changes. If a Permitted Sourcing Country is removed from the list of Permitted Sourcing Countries due to Marvel's determination, Marvel shall provide reasonable notice to Co-Promotion Partner of such change. Marvel may provide such notice through the ILS Website.

Co-Promotion Partner should refer to the ILS Program Manual and the ILS Website for more information about Permitted Sourcing Countries.

If a Person becomes prohibited by Law, the prohibition shall be automatic as of the effective date of such Law without need of any notice from Marvel. It is Co-Promotion Partner's responsibility to monitor any such changes. If a Person becomes prohibited due to Marvel's determination, Marvel shall provide reasonable notice to Co-Promotion Partner of such prohibition. Marvel may provide such notice through the ILS Website.

- K. <u>Co-Promotion Partner ILS Representative</u>. Promptly after an Agreement has been signed by both Parties, Co-Promotion Partner shall (1) appoint one (1) or more persons as Co-Promotion Partner's representative who will be responsible for Co-Promotion Partner's compliance with the ILS Program, and (2) notify Marvel accordingly of the initial appointment and any later changes thereto.
- L. <u>ILS Program Changes</u>. Marvel may modify the ILS Program, the ILS Program Manual, the FAMA Application and TWDC's Code from time to time. Marvel shall provide reasonable notice to Co-Promotion Partner of any material modification thereof. Marvel may provide such notice through the ILS Website.

Code of Conduct for Manufacturers

At The Walt Disney Company, we are committed to:

- a standard of excellence in every aspect of our business and in every corner of the world;
- ethical and responsible conduct in all of our operations;
- respect for the rights of all individuals; and
- respect for the environment.

We expect these same commitments to be shared by all manufacturers of Marvel merchandise. At a minimum, we require that all manufacturers of Marvel merchandise meet the following standards:

Child Labor

Manufacturers will not use child labor.

The term "child" refers to a person younger than 15 (or 14 where local law allows) or, if higher, the local legal minimum age for employment or the age for completing compulsory education.

Manufacturers employing young persons who do not fall within the definition of "children" will also comply with any laws and regulations applicable to such persons.

Involuntary Labor

Manufacturers will not use any forced or involuntary labor, whether prison, bonded, indentured or otherwise.

Coercion and Harassment

Manufacturers will treat each employee with dignity and respect, and will not use corporal punishment, threats of violence or other forms of physical, sexual, psychological or verbal harassment or abuse.

Nondiscrimination

Manufacturers will not discriminate in hiring and employment practices, including salary, benefits, advancement, discipline, termination or retirement, on the basis of race, religion, age, nationality, social or ethnic origin, sexual orientation, gender, political opinion or disability.

Association

Manufacturers will respect the rights of employees to associate, organize and bargain collectively in a lawful and peaceful manner, without penalty or interference.

Health and Safety

Manufacturers will provide employees with a safe and healthy workplace in compliance with all applicable laws and regulations, ensuring at a minimum reasonable access to potable water and sanitary facilities; fire safety; and adequate lighting and ventilation. Manufacturers will also ensure that the same standards of health and safety are applied in any housing that they provide for employees.

Compensation

We expect manufacturers to recognize that wages are essential to meeting employees' basic needs. Manufacturers will, at a minimum, comply with all applicable wage and hour laws and regulations, including those relating to minimum wages, overtime, maximum hours, piece rates and other elements of compensation, and provide legally mandated benefits. Except in extraordinary business circumstances, manufacturers will not require employees to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by local law or, where local law does not limit the hours of work, the regular work week plus 12 hours overtime. In addition, except in extraordinary business circumstances, employees will be entitled to at least one day off in every seven-day period.

Manufacturers will compensate employees for overtime hours at such premium rate as is legally required or, if there is no legally prescribed premium rate, at a rate at least equal to the regular hourly compensation rate.

Where local industry standards are higher than applicable legal requirements, we expect manufacturers to meet the higher standards.

Protection of the Environment

Manufacturers will comply with all applicable environmental laws and regulations.

Other Laws

Manufacturers will comply with all applicable laws and regulations, including those pertaining to the manufacture, pricing, sale and distribution of merchandise. All references to "applicable laws and regulations" in this Code of Conduct include local and national codes, rules and regulations as well as applicable treaties and voluntary industry standards.

Subcontracting

Manufacturers will not use subcontractors for the manufacture of Marvel merchandise or components thereof without Marvel's express written consent, and only after the subcontractor has entered into a written commitment with Marvel to comply with this Code of Conduct.

Monitoring and Compliance

Manufacturers will authorize Marvel and its designated agents (including third parties) to engage in monitoring activities to confirm compliance with this Code of Conduct, including unannounced on-site inspections of manufacturing facilities and employer-provided housing; reviews of books and records relating to employment matters; and private interviews with employees. Manufacturers will maintain on site all documentation that may be needed to demonstrate compliance with this Code of Conduct.

Publication

Manufacturers will take appropriate steps to ensure that the provisions of this Code of Conduct are communicated to employees, including the prominent posting of a copy of this Code of Conduct, in the local language and in a place readily accessible to employees, at all times.

FACILITY AND MERCHANDISE AUTHORIZATION APPLICATION INSTRUCTIONS

Attached is a sample Facility and Merchandise Authorization ("FAMA") Application that must be completed for <u>each</u> Facility (as defined below).

- Once a FAMA Application is completed in English for each Facility, please send each completed application, together with any required supporting documentation, to your designated Marvel Representative by email.
- Marvel will review the information and determine whether each Facility will be authorized to produce Marvel-branded products (as defined below).
- MARVEL-BRANDED PRODUCTS MAY NOT BE PRODUCED OR HANDLED AT ANY FACILITY UNLESS AND UNTIL YOU RECEIVE A SIGNED FAMA FROM MARVEL FOR SUCH FACILITY.
- You also may present the Marvel-signed FAMA to Customs officials to facilitate the importation of properly authorized Marvel-branded products if the Facility is outside the territory where the goods are to be sold.
- **Definition of "Facility":** Any of Co-Promotion Partner's or Vendor's own or third-party manufacturers, vendors, factories, farms, suppliers, and other facilities (as well as any subcontractors) that produce, process, finish, assemble (including without limitation, the combination of one (1) or more individual products together into a separate product set, bundle or multi-pack), or package products, components of products, product packaging, advertising and/or promotional materials, or other items related thereto, in each case in physical form (i.e., not in digital form only), that contain, incorporate or apply any Marvel intellectual property (i.e., any names, marks, logos, characters, artwork or other proprietary material owned or controlled by Marvel Partnerships, LLC or any of its affiliated companies), all of which are hereby referred to as "Marvel-branded product".
- Exclusions: At this time, facilities that do not need to be declared, and for which no FAMA Application is required, include (i) facilities that produce blank or generic products, components or materials that DO NOT contain, incorporate or apply any Marvel intellectual property (such as blank or generic cardboard boxes, plastic wrap or plain buttons) and (ii) raw materials suppliers, fabric mills or processors of generic commodity items such as cotton, metal and paper that DO NOT contain, incorporate or involve the application of any Marvel intellectual property.
- Unless they are involved in the activities described in the definition of Facility above, DO NOT list agents, business offices or showrooms as a Facility.
- Facilities may only be located in Permitted Sourcing Countries.
- For additional clarification and other sourcing restrictions, please see the ILS Program Manual.

Incomplete or illegible forms will be returned to you for resubmission.

FACILITY AND MERCHANDISE AUTHORIZATION (FAMA) APPLICATION *Required Fields

1. COMPANY INFORMATION (C	CO-PROMOTION PARTNER/VENDOR)
*Company Name:	*Company Contact Name:
	Given / First Name:
	Family / Last Name:
	• •
Company Address:	Job title:
	*Primary E-mail:
*Street/number:	
	* Telephone number(s):
*City:	. , ,
	Telephone extension:
Town:	relephone extension.
	*Mobile number(s):
*State/Province:	Mobile Humber(s).
*Country:	Additional contact name, job title and telephone
Country.	number:
*Doctol Codo.	
*Postal Code:	
2. FACILITY INFORMATION	
*Facility Name:	*Facility Contact Name (Facility owner or manager):
	Given / First Name:
	Family / Last Name:
Facility II C Novembers	• •
Facility ILS Number:	Facility Contact job title:
- 1 10 - 1 11111 - 10	
Previous/Alias Names by which this Facility is known:	Facility E-mail:
Facility Address:	*Telephone number(s):
*Street/Number:	Mobile number(s):
	(-)
*City:	Additional contact name, job title and telephone
	number:
Town:	number.
	*Is this Facility owned by the Company (Co-Promotion
*State/Province:	Partner/Vendor)?
	raitilely velidoly:
*Country:	Voc. No.
Country.	Yes No
Postal Code:	
Facility GPS location:	Facility (Malaciae)
racility GPS location:	Facility Website:
3. AGREEMENT	
*Marvel-branded product(s) to be produced or handled	Marvel Contract/Deal number(s):
in this Facility (e.g., t-shirts, toys, biscuits, packaging)	, ,,,
[Must conform to Agreement or MOU]:	
*Marvel intellectual property(ies) (e.g., property,	*Territory(ies) where the Marvel-branded product(s)
character, brand or logo (e.g. Mickey Mouse, Star Wars,	from this Facility will be sold, distributed or given away
Marvel, ESPN, etc.) to be used at this Facility) [Must	[Must conform to Agreement or MOU]:
conform to Agreement or MOU]:	

Marvel Business Unit:	Marvel Business Unit Contact:



DATA SECURITY PROVISIONS FOR CO-PROMOTION AGREEMENTS EXHIBIT DS – Privacy and Data Security

This Privacy and Data Security Exhibit, in combination with other applicable requirements of the Agreement, shall constitute a material part of the Agreement between the Parties. If there are any conflicts between this exhibit and the terms of the Agreement, the terms of this Exhibit shall control with respect to such conflict. Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

1. Definitions.

- (a) "Data Protection Laws" mean the following Laws as applicable from time to time, together with any amended or successor Laws thereto, (a) the Directive, (b) the Guideline for Personal Information Protection within Information Systems for Public and Commercial Services (GB/Z28828-2012) ("Guideline"), (c) the Personal Data (Privacy) Ordinance (Cap 486), Laws of Hong Kong ("PDPO"), and (d) any other national privacy and/or data security Law.
- (b) "Directive" means the following legislation as applicable from time to time, (a) Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995, and (b) the "Regulation of the European Parliament and of the Council on the protection of individuals with regard to the processing of personal data and on the free movement of such data", Brussels, 25.1.2012 COM(2012) 11 final (the "GDPR"), together with any amended or successor Laws thereto.
- (c) "European Law" means the Laws of states party to the European Economic Area ("EEA"), including those of European Union Member States, the Laws of any state that subsequently becomes a Member State of the European Union or of the EEA, and the Laws of the Swiss Confederation.
 - (d) "EU Personal Data" means "personal data", as such term is defined in the Directive.
- (e) "Massachusetts Standards" means the Massachusetts Standards for the Protection of Personal Information of Residents of the Commonwealth, codified at 201 CMR 17:00 et seq.
- (f) "Model Clauses" means the "standard contractual clauses for the transfer of personal data to processors established in third countries" as set out in European Commission Decision 2010/87/EU.
- (g) "Personal Information" means any information that Vendor or its Subcontractors Process in connection with the Services, that refers, is related to, or is associated with an identified or identifiable individual, including, but not limited to, (i) all "personal data," or similar terms, as defined in either the Directive or other Laws; (ii) an individual's first name or first initial and his or her last name; (iii) Social Security Number, (iv) driver's license number or state identification card number, (v) account number, credit or debit card number, with or without any required security code, access code, or password that would permit access to an individual's financial account, (vi) any individually identifiable information regarding an individual's medical history or medical treatment or diagnosis by a health care professional; (vii) a username or email address, in combination with a password or security question and answer that would permit access to an online account; (viii) biometric data; (ix) any information that provides a precise geolocation of an individual; and (x) a Device ID or other persistent identifier that is or can be associated with other Personal Information.
- (h) "Privacy Shield Framework" means the EU-US Privacy Shield Framework agreed between the U.S. Department of Commerce and the European Commission dated 12 July 2016, as updated or amended from time to time;
- (i) "Process" or "Processing" means any operation or set of operations that is performed upon Disney Data, whether or not by automatic means, such as collection, using, accessing, recording, organization, storage,

adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, modification, blocking, erasure or destruction.

- (j) "Security Breach" means (i) any known or reasonably suspected loss, misuse, or unauthorized access, destruction, deletion, modification, or other compromise, including a penetration of Vendor's or its Subcontractor's network or computer resources, or any other unauthorized Processing, that occurs with respect to any Disney Data; or (ii) any act or omission that compromises either the security, confidentiality or integrity of Disney Data or the physical, technical, administrative or organizational safeguards put in place by Vendor or its Subcontractors to protect the security, confidentiality or integrity of Disney Data.
- 2. <u>Segmentation, Targeting and Tracking</u>. Except as specifically authorized under this Agreement, Vendor shall not, and shall cause its affiliates not to, directly or indirectly (including through a third party):
- (a) create a segment or profile of Disney customers or other Disney end users or enhance existing segments or profiles using data of or relating to Disney customers or other Disney end users;
- (b) target communications on the basis of the intended recipient being a Disney customer or other end user or use any Disney Data, including Personal Information, to target, market, contact, or precisely locate any Disney customer or end user; or
- (c) use the Services to distribute cookies or any other tracking technology intended to track, monitor, or view Disney customers or other Disney end users.
- 3. <u>Compliance with Data Protection Law.</u> Without limiting any other obligation set forth in the Agreement, Vendor shall, and shall ensure that all of its Subcontractors, comply with Data Protection Laws when Processing Personal Information under this Agreement.

4. Compliance with the Directive.

- (a) Vendor confirms that, when acting as a data processor (as such term is defined in the Directive) for DWS or a DWS Affiliate, Vendor shall, and shall ensure that all of its Subcontractors that are acting as data processors of Vendor with regard to the Services, comply with the obligations of a data processor as set out in Articles 28(3)(a) to Articles 28(3)(h), inclusive, of the GDPR, and without limitation shall:
 - (i) only Process EU Personal Data on the documented instructions of DWS (acting on behalf of DWS and/or its Affiliates, as appropriate), unless required to Process that EU Personal Data for other purposes by European Law. Where such a requirement is placed on Vendor by European Law, it shall provide notice to DWS unless the relevant Law prohibits the giving of notice on important grounds of public interest;
 - (ii) inform DWS if, in its opinion, DWS's instructions would be in breach of the Directive; and
 - (iii) provide reasonable assistance to DWS to allow DWS to meet its data security obligations under the Directive, including to conduct privacy impact assessments and to respond to requests from individuals exercising their rights under the Directive.
- (b) For the purposes of this Section 4, Vendor confirms that the scope, nature, and purpose of the Processing carried out by Vendor and its Subcontractors and the types of EU Personal Data and categories of data subjects (as such term is used in the Directive) utilized under this Agreement on behalf of DWS and/or its Affiliates shall be limited to those which are absolutely necessary to effectuate the Agreement and which are approved in advance in writing by DWS.
- 5. <u>Industry Standard Security Practices</u>. Vendor acknowledges that, in the course of performing the services hereunder, Vendor may Process Personal Information. Vendor shall implement and maintain industry standard security procedures and practices, appropriate to the nature of the information, to protect any Personal Information Processed hereunder from unauthorized Processing. Such security procedures and practices shall include, at a

minimum establishing, implementing and at all times complying with and maintaining a comprehensive, written information security program (the "Information Security Program") consistent with, and applying protective security measures at least as stringent as, the most protective standards set forth in the Massachusetts Standards, or in any U.S. State Law that, from time to time, sets forth greater protective standards than the Massachusetts Standards, and any applicable federal regulations, as such standards and regulations may be modified from time to time, with respect to Personal Information. Vendor hereby represents and warrants that it is currently in compliance with the Massachusetts Standards and applicable federal regulations. Vendor shall further comply with the requirements of Exhibit D (Information Security Requirements).

- 6. <u>Scope of Information Security Program</u>. Vendor shall maintain and enforce its Information Security Program at each location from which Vendor, or any of Vendor's Subcontractors, provides the Services. In addition, Vendor shall ensure that its Information Security Program covers all networks, systems, servers, computers, notebooks, laptops, PDAs, mobile phones, and other devices and media that Process Personal Information or provide access to Disney Computer Systems. Vendor shall publish and communicate its Information Security Program to all personnel and relevant Subcontractors on at least an annual basis, and shall further ensure that all personnel and relevant Subcontractors complete relevant training required to operationalize the Information Security Program, including security awareness training, on at least an annual basis.
- 7. <u>European Data Transfer Requirements</u>. With respect to any EU Personal Data that has been or will be transferred outside the EEA and Processed pursuant to this Agreement, unless otherwise agreed to the contrary expressly in writing with DWS (such form of writing to refer expressly to this Section 7 of this Exhibit DS) Vendor represents, warrants and undertakes that it has and will (and has and will contractually require each of its Subcontractors, to) comply with all of the obligations under the Model Clauses that DWS is obliged to impose on Vendor pursuant to those Model Clauses (including without limitation pursuant to Clauses 5 to 9 and 11 of the Model Clauses). In the event from time to time that either:
- (a) the basis on which it Processes EU Personal Data changes (for example, by reason of DWS's entry into the Privacy Shield Framework, adoption of binding corporate rules or otherwise); or
- (b) the scope, content or validity of any data transfer mechanism used to legitimize any of DWS's or any of its Affiliates', or Vendor's or any of Vendor's Subcontractors or Affiliates', Processing of EU Personal Data outside of the EEA is challenged, nullified, or required to be enhanced or amended.

(any such change, challenge, nullification, enhancement or amendment being a "**Privacy Change**"), Vendor shall, and shall ensure that its Subcontractors shall, comply promptly (and in any event within 30 days of receipt of an instruction) with DWS's documented instructions in relation to a Privacy Change. Such instructions may include, without limitation, instructions as to compliance with any further obligations that DWS is obliged to impose on Vendor, and also as to completion of any formalities and entry into any such documents, as may be reasonably required by DWS in regard to the Privacy Change. Under no circumstances shall Vendor be permitted to impose upon Disney obligations arising under any data transfer mechanism other than one to which Disney explicitly subscribes. Vendor agrees, and shall ensure that any relevant Subcontractor agrees, that an individual to whom EU Personal Data relates can enforce against the Vendor and/or any relevant Subcontractor Clauses 5(a) to (e) and (g), Clause 6, Clause 7, Clause 8(2), and Clauses 9 to 12 of the Model Clauses, where DWS has factually disappeared or ceased to exist in law or has become insolvent, unless any successor entity has assumed the entire legal obligations of DWS by contract or by operation of law as a result of which the data subject (as such term is used in the Directive) can enforce them against such entity. Such third-party liability of the Vendor and/or any relevant Subcontractor shall be limited to that entity's own Processing under the Model Clauses.

8. Other Data Transfer Requirements. To the extent that, from time to time, any Data Protection Laws, not inclusive of the Directive for purposes of this paragraph, contain restrictions on the cross-border transfer of Personal Information, Vendor shall, and shall ensure that its Subcontractors shall, comply promptly (and in any event within 30 days of receipt of an instruction) with DWS's documented instructions with regard to compliance with any applicable obligations stemming from the relevant provisions of such Data Protection Laws. Such instructions may include, without limitation, instructions as to compliance with any further obligations that DWS is obliged to impose on Vendor, and also as to completion of any formalities and entry into any such documents, as may be reasonably

required by DWS. Under no circumstances shall Vendor be permitted to impose upon DWS obligations arising from the cross-border data transfer requirements of such Data Protection Laws.

- 9. Obligations Regarding Data Compromise. Vendor shall promptly and without undue delay inform DWS of a Security Breach by calling the Disney IT Support Center at 1-866-534-7639 and stating that it would like to report a security incident, and Vendor shall cooperate with DWS, and its applicable service providers, in the investigation and remediation of any such occurrence. Such remediation may include, but is not limited to, (a) the provision of notice concerning such occurrence to any person affected or potentially affected thereby ("data subjects") and applicable domestic and international authorities, and (b) with respect to any Security Breach that poses a risk of identity theft, including but not limited to a Security Breach involving a Social Security Number, driver's license number or similar personal identification number, the provision of a commercially available service consisting of two years of premium daily credit monitoring (beginning on the date the data subject first registers for the service after the Security Breach), access to credit reports and premium identity theft insurance to any data subject. Under no circumstances, other than as required by Law, shall Vendor send notice concerning a Security Breach to any third party, including, without limitation, affected data subjects, without DWS's prior written approval. Further, DWS shall have sole authority and discretion to determine whether to notify any third party of the Security Breach, to determine the content of any such notice, and to determine the nature and extent of any remediation offered to any data subject. Vendor shall investigate the Security Breach at its cost and expense, and shall provide DWS with the results of that investigation as soon as they are available. Vendor shall also take any and all steps reasonably necessary to minimize adverse impacts of the Security Breach, to restore the security, confidentiality, and/or integrity of Disney Data, and to prevent a recurrence of any such Security Breach. Without limiting any other remedy in the Agreement, to the extent that a Security Breach results from Vendor's or its Subcontractor's acts or omissions or negligence, or Vendor's failure to comply with its representations, warranties and/or obligations hereunder, Vendor shall reimburse DWS for all reasonable investigation, remediation, forensic and legal costs (including but not limited to attorney's fees) and any related damages, losses, judgments, settlements, liabilities, awards, fines, penalties, costs and expenses incurred by DWS or its Affiliates in connection with such Security Breach upon receipt from DWS of an invoice for the same, and Vendor further stipulates and agrees that each of the foregoing shall be deemed direct damages.
- 10. <u>Subcontractors and Data Centers</u>. Without prejudice to Vendor's other obligations in the Agreement, Vendor shall provide DWS with prior notice of any change to the location(s) of its or its Subcontractors' Data Centers used to Process Personal Information. Such notice shall trigger a right on the part of DWS to object to the use of the relevant Data Center(s) with regard to Personal Information. Upon such objection, and unless Vendor provides an alternative that is reasonably acceptable to DWS, Vendor shall be prohibited from Processing Personal Information in any Data Center to which DWS has objected.
- 11. <u>Data Centers</u>. The Data Center(s) at which Vendor, or any of its Subcontractors, will Process Personal Information is/are located at only those location(s) previously approved by DWS.
- 12. <u>Survival</u>. Vendor's data protection and data security obligations under this Agreement shall continue for so long as Vendor, or any of Vendor's Subcontractors, continues to Process Personal Information, even if all agreements between Vendor and DWS have expired or been terminated.

(End of Exhibit DS)