

## Textile Exchange Standards CERTIFICATION SERVICES SERVICE TERMS

These Service Terms govern Textile Exchange Standards Certification Services provided by the UL Contracting Party (as identified in the Quotation or Project Confirmation), utilizing its affiliate UL Verification Services Inc. (“UL VS”) a Textile Exchange Certification Body, (“we”, “our” or “us” as the context requires); and set out the responsibilities and obligations of the Client (“you” or “your” as the context requires). These Service Terms and the terms of the Global Services Agreement (“GSA”) are incorporated by reference into and are an integral part of each Service Agreement entered into by the Parties for Textile Exchange Standard Certification. The capitalized terms in these Service Terms which are not defined herein have the same meaning as in the GSA.

### 1.0 CERTIFICATION SERVICES

**1.1** We will perform the auditing, evaluation, surveillance, inspection, and reporting services requested by you on your product and/or product category desired (“Product[s]”) in accordance with the then-current applicable Textile Exchange Standard and certification program requirements which can be found at <https://textileexchange.org/standards/> (the “Services”). Any Services performed by us on a Product will be valid only for the specified identification of that Product. You will make all necessary arrangements for us to conduct the Services, including provisions for examining documentation and records, and access to the relevant equipment, location(s), area(s), personnel, and your subcontractors. If there is a need for translators or interpreters during the audits, they shall be independent of your organization.

**1.2** You must complete an application form and determine which Textile Exchange Standard and certification program requirements (“Standard(s)”) you are seeking certification and which will be used for the Services. All forms, Standards and procedural documents referenced in these Service Terms are available to you at the Textile Exchange website <https://textileexchange.org/documents/>. Such documents may be amended from time to time at the sole discretion of the Textile Exchange, which changes shall become part of the requirement under this Service Agreement in the timeframe defined by the Textile Exchange.

**1.3** Upon satisfactory completion of the Services and appropriate documentation, you will be issued a Scope Certificate and Product(s) identified in the Scope Certificate will be considered “Certified Products”. The Scope Certificate for a Certified Product is contingent on your continued compliance with Ongoing Evaluation as defined in these Service Terms and reporting obligations, and all other Textile Exchange requirements. When your Certified Product is shipped, you must request a transaction certificate with the shipment of your Certified Product. You can make reference to your certification solely in accordance with Textile Exchange’s Standards Claim Policy.

## 2.0 CERTIFICATION

**2.1 Textile Exchange Requirements.** You agree you are not currently engaged or will engage with another certification body to certify against the same Textile Exchange Standard(s) at the same time. You must immediately inform us about any other certifications and certification body relationships that share the same scope as the Textile Exchange Standard(s). You agree that we may give the Textile Exchange access to your data and facilities. You also agree to adhere to the data policy specified in TE-501 Textile Exchange Standards Data Policy and to obtain the same agreement from all sites to be included in the scope of certification.

**2.2 Evaluation.** Your Services require a document review and on-site audit. During the evaluation, the audit time is calculated based on the Standard(s) requirements and in the on-site audit you may be issued non-conformities that must be resolved before certification is achieved. If you outsource to subcontractors and they are not certified to the Standard, they must also be subject to on-site audits. Audits must be performed no later than 60 days prior to the expiry of your Scope Certificate. After your Scope Certificate is issued, you must apply for a transaction certificate in order to accommodate shipping your Certified Product. We will perform a document review of the shipment information as part of this transaction certificate. The transaction certificate is an additional deliverable and we will issue you a separate Quotation with additional fees.

**2.3 Certification Term.** Unless earlier terminated in accordance with these Service Terms, the term of the certification for the Certified Product(s) will begin on the Certification Date and expire one (1) year from the Certification Date (“Initial Term”). If you desire to maintain certification after expiration of the Initial Term, you must complete the ongoing evaluation defined in these Service Terms to maintain certification. The Parties agree to negotiate in good faith to enter into a new Service Agreement using the then current level Service Terms which may have changed during the Certification Term. If the Parties have not executed a new Service Agreement by the date of expiration of the Initial Term or agreed in writing to extend the Initial Term of this Service Agreement, the Service Agreement and all authorizations granted to you herein shall expire.

**2.4 Assignment of Certification Date.** We will notify you in writing of the date that the applicable Product(s) complies(y) with the Textile Exchange Standard(s) (“Certification Date”) and the schedule of dates for Ongoing Evaluation, for each Certified Product. If you share any certification documents with third parties all such certification documents must be reproduced in their entirety and are provided by us without warranty of any kind.

**2.5 Ongoing Evaluation.** In accordance with the Textile Exchange Standard(s) we will conduct yearly audits that will cover the Standards’ requirements and the activities below. Audits may be conducted semi-announced, unannounced and/or confirmation visits for the purpose of monitoring your organization’s conformity and may include activities including without limitation:

- Checking for proper use of the Standard logo, if used;
- Possible changes to your organization’s operations and Certified Product that may impact a Certified Product’s conformance with the Standard; and
- If in our sole opinion, it is determined that significant changes have occurred, an onsite audit may be required and additional Services required at your expense. Onsite audits will be conducted by our representatives, and may be in the presence of third-party observers.

You acknowledge that it is Textile Exchange’s right to change the Standard and certification requirements and that certification is conditional on conforming to a new or revised version of the applicable Standard and new or revised certification requirements within the timeframes established by Textile Exchange.

**2.6 Access to Facilities.** You acknowledge and agree that our representatives, as well as any third-party observers accompanying the representatives, shall have free, immediate, safe, and secure access to facilities, factories and/or storage facilities where the Certified Product(s), or any components thereof, are fabricated, processed, finished, stored, and/or located, during normal business hours and/or when the factory or storage facilities are actually in operation. You shall make necessary arrangements for us and third-party observers to conduct the Services, including provisions for examining documentation, records and complaints, and access to the relevant equipment, location(s), area(s), personnel and your subcontractors. You agree to provide our representatives and third-party observers with all safety and other protections required by law for your own employees, including, without limitation, all U.S. Occupational Safety and Health Administration (“OSHA”) rules and regulations. You shall not attempt to condition the right of our representatives or third-party observers to obtain free access to a factory and/or storage facility upon the signing of any agreement, waiver, or release which in any way purports to affect the legal rights or obligations of us or its representative. If any of our representatives signs such an agreement, waiver, or release, it shall be considered void and shall be of no force and effect. We shall, however, direct our representatives to exercise reasonable care to comply with any plant safety regulations generally applicable to personnel at any such factory or storage facility.

**2.7 Misuse of Certification Status.** You will not use your product certification status in such a manner as to bring us or the Textile Exchange into disrepute. You will not make any statement regarding your product certification status that we or the Textile Exchange may consider misleading or unauthorized. You shall only make claims regarding certification consistent with the Scope Certificate and following the Textile Exchange’s Standards Claims Policy.

### **3.0 OWNERSHIP AND USE OF TEXTILE EXCHANGE STANDARDS LOGO**

**3.1 USE OF THE TEXTILE EXCHANGE STANDARDS LOGO.** Subject to the terms and conditions of this Service Agreement and the Textile Exchange Standards Claim Policy and Logo Use Requirements, and effective upon the successful completion of the Services; you shall apply for the use of the Textile Exchange Logo according to the Textile Exchange Standards Claims Policy and Logo Use Requirements.

**3.2 Ownership of Textile Exchange logos and Standard Logos.** The Standards logos are proprietary and for any authorized use and/or display; all logo use shall conform with the guidelines described in TE-302 Standards Logo Use Specifications. The Textile Exchange Standards logos are the intellectual property of Textile Exchange, who reserves all rights in relation thereto. Unauthorized display, copy, and/or use of any Standards logo without prior authorization, is strictly prohibited. Textile Exchange reserves the right to take legal action against any party that uses, displays, and/or copies any Standards logo without prior authorization. Incidents of unlicensed or improper use of any Standards logo(s) will be handled in accordance with ASR-110 Complaints and Feedback Policy and the terms of this Service Agreement. The Textile Exchange logos are proprietary and are for the authorized use only. Any use of the Textile

Exchange logo shall conform at all times with the Textile Exchange guidelines in TE-302 Standards Logo Use Specifications.

**3.4 Standards for Use of Licensed Logos.** You will: (i) to use the Textile Exchange Logos only in the form and manner and with appropriate legends as prescribed by us and Textile Exchange, (ii) to cooperate with us in facilitating the control of all uses of the Textile Exchange Logos; (iii) to permit, from time to time at our request, our representatives to inspect at your facilities uses of the Textile Exchange Logos, accompanied by third-party observers; and, (iv) if and as requested by us to supply us with physical and/or photographic specimens showing your use of the Textile Exchange Logos. Within ninety (90) days of the Certification Date of a Certified Product, or within ten (10) days of any reasonable request, you must submit sample Certified Product(s), advertising and/or packaging materials for our review. If we determine, in its sole discretion, that you are not using the Textile Exchange Logos in accordance with the then current Textile Exchange Logo Use and Claims Guide as defined on Textile Exchange's webpage or other requirements specified by Textile Exchange, we will notify you and you must correct your usage of the Textile Exchange Logos as requested, and provide us revised samples that are acceptable to us, within thirty (30) days of receipt of notice. If you fail to do so, we may terminate the authorization granted pursuant to the terms of this Service Agreement, at our sole discretion.

#### **4.0 CERTIFIED PRODUCT QUALITY STANDARDS AND MAINTENANCE**

**4.1 Quality Obligations of Client.** Client covenants that: (i) all products sold as Certified Products will comply with the Standards upon which the Certified Product(s) were approved in the most recent Initial or Annual Confirmation Evaluation and require a transaction certificate to ensure traceability; (ii) you and/or the manufacturer of the Certified Products will maintain a quality control system that covers all Certified Products at all times while you (or manufacturer) manufactures and distributes products as Certified Products, and will follow such quality control system with respect to all such Products. You acknowledge and agree that (i) you are responsible for the design and operation of your quality control system and (ii) we will rely on such system to ensure consistent quality of any products that become Certified Products. You will immediately notify us of any complaints that you receive that relate to a Certified Product's compliance with the Standards and, together with the notification of the complaint, indicate what responsive action has been or will be taken with respect to the complaint. Depending on our assessment of the validity of the complaint, we may invoke any and all relevant remedial provisions of this section and may consider the complaint in structuring and conducting On-going Certification Compliance Auditing which may require additional Services and a new Service Agreement.

**4.2 Improper Use.** If at any time we determine that you have used claim language or the Textile Exchange Logos on, or in connection with, products or materials that are not Certified Product(s), we may notify Textile Exchange and you in writing of the mislabeling or misuse of the Textile Exchange Logos. You must correct the labeling or usage of the Textile Exchange Logo as requested by us or Textile Exchange, and notify us of the corrective actions you have taken within thirty (30) days of your receipt of notice. In accordance to Textile Exchange Standards Policy, if the misuse is not remedied within thirty (30) days Textile Exchange will be notified again and actions may be taken and may result in withdrawal of certification.

**4.3 Change in Ability to Conform.** You will inform us immediately of any changes that may affect your ability to conform with the Standards, including changes to: (i) legal, commercial, ownership or organizational status; (ii) managerial organization (key managerial, decision making or technical staff); (iii) the Certified Product or production method; (iv) contact address or production sites; (v) quality management system; (vi) scope of operations; and (vii) environmental and social impact of the certified organization caused by incidents or events. Upon the receipt of the updates, we will determine whether the changes require any additional auditing or document review and conduct prior to approving the change in certification scope.

**4.4 Corrective Action.** You will take reasonable corrective actions, as instructed by us and in our or Textile Exchange’s discretion, including but not limited to re-labeling, public notification and recall of mislabeled product(s), to remedy any misuse of the Textile Exchange Logos or failure of Certified Product(s) to comply with the Standards. All corrective actions shall be at your sole expense. You must close all non-conformances in the timeline defined by the Textile Exchange Program, or a new audit may be required to obtain (re-)certification

**4.5 Appeals.** The Textile Exchange may become engaged in the case that a complaint or appeal escalates beyond our authority, and you will cooperate with any such investigations.

## **5.0 PROMOTIONAL USE OF LOGOS OR CERTIFICATION**

**5.1 Public Statements.** We may use your name and logo and display the Certified Products in publications such as, UL’s SPOT Product Database and in print and electronic form. You must create a SPOT profile which may include the requirement of uploading an electronic copy of your name and logo, as well as those of the Certified Products, if available, for use in the SPOT Product Database. Except as expressly provided in this Service Agreement, each Party agrees that it may not use, or permit a third party to use, the other Party’s name, logo, or logos without the prior written consent of such other Party. Without the prior written consent of the other Party, neither Party may make any press release or other public announcement of, or otherwise disclose this Service Agreement or any provision thereof to any third party, except as may be required by applicable law.

**5.2 Advertising and Promotional Material.** In addition to the GSA and these Service Terms, it is your responsibility to comply with the current requirements of the Textile Exchange Standards Claims Policy and Standards Logo Use Specification documents (<https://textileexchange.org/documents/>) when making reference to your Certified Product(s) in any promotional media such as documents, brochures or advertising material. Any changes to the artwork or wording shall be sent to us for approval before use.

## **6.0 COMMUNICATIONS AND RECORDS**

### **6.1 Communication:**

**Textile Exchange.** You agree to receive email communication from Textile Exchange and communicate directly with Textile Exchange in regard to certification and Standards.

**Certification Bodies.** You may disclose all information about any Textile Exchange Standard certification related activity with other certification bodies. All such information from us is provided without warranty of any kind and you represent and warrant that all information provided to us is complete and accurate and that you have the right to disclose the information. We will not be responsible for our Services which relied on inaccurate or incomplete information provided by you or on your behalf.

**6.2 Records and Information.** You authorize us to exchange your information related to the Services with other Textile Exchange accredited certification bodies, authorized accreditation bodies, and Textile Exchange as part of ongoing evaluations.

## 7.0 EFFECT OF TERMINATION OR EXPIRATION

**7.1 Termination or Expiration** Upon termination or expiration of the Service Agreement with respect to the Certified Products, formerly Certified Products that are de-certified pursuant to the Certification Program shall be deemed **“De-Certified Products”** and all De-Certified Products that were manufactured after the De-certification Date shall be deemed **“Non-Compliant Product(s)”**. You agree:

- (i) To cease marking Non-Compliant Products with the Licensed Logos immediately and to remove the Textile Exchange Logos from any Non-Compliant Products previously logoed, and to cause your agents and distributors to do the same;
- (ii) To amend all marketing and promotional materials so as to reflect accurately the certification status of the De-certified Products and Non-Compliant Products, and to cause your agents and distributors to do the same;
- (iii) That we may take any and all actions necessary so as to communicate to the public the certification status of your products. We may inform Textile Exchange, our accreditation body, and all direct customers who have received transaction certificates from your certified organization during the previous 12 months when a Scope Certificate is suspended or withdrawn; and
- (iv) We will not issue transaction certificates relating to Scope Certificates which are suspended or withdrawn, regardless of when the Certified Product was sold.

**7.3 Disclaimer; Compliance with Laws and Regulations; and Indemnity.** THE UL COMPANIES EXPRESSLY DISCLAIM ALL REPRESENTATIONS AND WARRANTIES THAT ANY TRADEMARKS, SERVICE LOGOS, CERTIFICATION LOGOS, LABELS, TEXT, GUIDANCE OR OTHER MATERIALS OR SERVICES PROVIDED TO YOU OR THE USE THEREOF WILL COMPLY WITH THE GREEN GUIDES, 15 USC SEC 45, OR OTHER APPLICABLE LAWS AND REGULATIONS, AND IN NO EVENT SHALL THE UL COMPANIES HAVE ANY LIABILITY IN CONNECTION THEREWITH. WE DO NOT PROVIDE LEGAL ADVICE, AND NONE OF OUR PROVIDED SERVICES OR DELIVERABLES SHALL BE CONSTRUED OR INTERPRETED AS LEGAL ADVICE. IT IS YOUR SOLE RESPONSIBILITY TO COMPLY WITH THE US FTC ACT, THE GREEN GUIDES AND ALL OTHER APPLICABLE LAWS AND REGULATIONS REGARDING ENVIRONMENTAL MARKETING CLAIMS AND PRACTICES, AND YOU SHOULD CONSULT LEGAL COUNSEL FOR ADVICE ON THIS TOPIC.

IN ADDITION TO THE OBLIGATIONS IN SECTION 11 (THIRD PARTY CLAIMS) OF THE GSA, YOU AGREE TO INDEMNIFY AND HOLD HARMLESS THE UL COMPANIES AND THEIR TRUSTEES, DIRECTORS, OFFICERS, EMPLOYEES, MEMBERS, AFFILIATES, AGENTS AND SUBCONTRACTORS FROM ALL LOSSES AND EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) ARISING OUT OF, OR RELATED TO, CLAIMS ASSERTED BY THIRD PARTIES THAT RELATE TO UNFAIR OR DECEPTIVE MARKETING CLAIMS INVOLVING CLIENT'S PRODUCTS OR SERVICES, INCLUDING IN VIOLATION OF 15 USC SEC 45, THE GREEN GUIDES OR OTHER APPLICABLE LAWS OR REGULATIONS.