

Store Set-up Agreement

1. General Provisions

The Store Set-up Agreement (this “Agreement”) is entered into by and between Epec Ecommerce Co., Ltd. (the “Platform Operator”), the operator of Epec International Business Platform (the “Platform”), and you (the “Supplier Member”), based on mutual benefit and common development, in respect of the launch of a store and operation of business on the Platform by you. The parties hereto agree as follows.

2. Obligations of Supplier Member

2.1 When applying for launching a store, based on management needs, one Supplier Member may only have one web store on the platform launched by the Representative of such Supplier Member.

2.2 When applying for launching a store, the Supplier Member must be enabled for access in accordance with procedures established by the Platform Operator.

2.3 The Supplier shall ensure that the information published on the Store does not contain the following prohibited or illegal information, and comply with the basic procedures and rules for the normal operation of the Platform.

2.3.1 “Prohibited Information”, as used in this Agreement, means any information prohibited or restricted from releasing by applicable laws and regulations, and rules of the Platform.

2.3.2 “Prohibited Information Release”, means the Supplier Members’ release of prohibited or restricted information under applicable laws, regulations, and Platform’s rules. Prohibited Information and law-violated information includes, but is not limited to the following:

2.3.2.1 Commodity information or remarks that contain reactionary contents, undermine the national unity, sovereignty and territorial integrity, advocate heresy and superstition, or promote religious and racial discriminations;

2.3.2.2 Commodity information on guns, ammunition, arms or other dangerous weapons, appliances, fittings and auxiliary products related to arms, and derivative crafts of their imitations;

2.3.2.3 Commodity information on drugs, raw materials for drug production, chemicals for drug production, addictive drugs, drug paraphernalia and fittings;

- 2.3.2.4 Commodity information on controlled knives and other goods that can endanger the personal safety of others, such as bows and crossbows;
- 2.3.2.5 Commodity information on products that can make others temporarily loses the ability to resist or cause serious injuries to others, such as defibrillator and nail gun. Commodity information on other products that can make others temporarily lose the ability to resist and cause injuries to others, such as super long knives and edged ornamental knives;
- 2.3.2.6 Commodity information on products related to instruments for military or police, such as expandable batons, fire guns, handcuffs and their relevant fittings;
- 2.3.2.7 Commodity information on fake goods or pirated products that infringe the intellectual property rights of others;
- 2.3.2.8 Commodity information of obscene items;
- 2.3.2.9 Commodity information of fireworks and crackers;
- 2.3.2.10 Release commodity information of highly toxic and corrosive chemicals without review and approval;
- 2.3.2.11 Commodity information on anesthetic and psychotropic API and finished drugs;
- 2.3.2.12 Commodity information on medicines and blood products used for the prevention and treatment of human diseases, such as toxic medicines, radioactive medicines, birth control medicines and prescription drugs;
- 2.3.2.13 Commodity information on oral or topical products involving aphrodisiac and hallucinogenic purposes;
- 2.3.2.14 Commodity information on medical apparatus in clinical trial or trial production phase, or other medical apparatus under national control;
- 2.3.2.15 Commodity information on human organs and remains;
- 2.3.2.16 Commodity information on living organisms, entrails, limbs, furs, specimens, or other products of animals under national protection or endangered animals, or fossils of extinct animals and existing animals under national secondary-class protection or above class;

- 2.3.2.17 Commodity information on cultural relics that are in alleged violation of relevant provisions in the Cultural Relics Protection Law of the People's Republic of China;
- 2.3.2.18 Commodity information on commodities subsidized or granted by the state free of charge that cannot be transferred privately;
- 2.3.2.19 Commodity information on tools for illegal purposes such as espionage, fraud, theft, cheating, gamble, satellite television equipment and smuggled goods;
- 2.3.2.20 Information on illegal services such as issuing bills for others, paper ghostwriting, erotic;
- 2.3.2.21 Information on tobacco monopoly commodities such as cigarettes, cigars, cut tobacco, re-dried leaf tobacco, leaf tobacco, cigarette paper, filter rods, cigarette tow and cigarette manufacturing equipment;
- 2.3.2.22 Release information in conflict with the platform business, such as the account of the Supplier and ranking of platform for industrial products;
- 2.3.2.23 Information on commodities declared obsolete or unmarketable by explicit order of the state;
- 2.3.2.24 Information on automobile fittings that may cause potential traffic dangers, such as seat belt buckle;
- 2.3.2.25 Information on products sold online without approval of relevant authorities and subject to franchise management by the state under laws and regulations; and
- 2.3.2.26 Information on products without relevant business qualifications or licenses.
- 2.3.2.27 The Platform Operator shall have the right to delete the prohibited information if the Supplier Member releases the information beyond the catalogue of licensed products of the Platform.
- 2.3.2.28 Commodity information beyond the licensed scope of the Platform.
- 2.3.2.29 Other information on commodities that the Platform Operator deems shall not be allowed to be sold.

2.3.3 The Supplier Member who has objection to the handling result of the releasing of prohibited information may file a complaint with the Platform Operator regarding the handling result of the releasing of prohibited information. For any complaint about the handling of releasing of prohibited information, the complainant shall submit the relevant supporting documents within 3 working days from the date of filing, and any failure to submit evidence on time or failure to submit according to the process shall be deemed a waiver of the complaint.

2.4 The Supplier Member shall read and be informed of the following information in order to facilitate the smooth operation of the store:

2.4.1 The Supplier Members shall display, prominently and continuously on their homepage, their business license information, administrative licensing information relating to their business operation, and information that they are not required to complete market entity registration pursuant to the provisions of Article 10 of E-commerce Law of the People's Republic of China, or hyperlinks of the aforesaid information. Where there is any change to the information stipulated in the preceding paragraph, the Supplier Members shall promptly update and publicize the updated information.

2.4.2 Where an e-commerce business operator ceases to engage in e-commerce business, it shall announce the relevant information prominently and continuously on its home page 30 days in advance.

2.4.3 The newly-applied site which is "under review" cannot be viewed by the Buyer and the Supplier Member.

2.4.4 The Supplier Members shall provide their identity information, address, contact details, administrative licensing information etc. to the Platform. The Platform will verify such information and record the registration, establish registration files, and verify and update regularly. The platform may establish a creditworthiness review system for consumers to review the goods sold or services provided by the Supplier Members. The Platform will conduct the review based on the creditworthiness reviews and comprehensive situations of the Supplier Member, including but not limited to integrity, commodity quality, price, delivery, service, and practice integrity, etc.

2.4.5 The store shall be valid for ten years from the date when the Supplier's application for launching the store is approved by the Platform.

2.4.6 Upon expiration, the store cannot be viewed by the purchaser and the Supplier Member.

2.4.7 The Supplier Member shall apply for renewing the store and the Platform shall approve or reject the application depending on the Supplier Member's operation. The extension period is one year.

2.4.8 If the store breaches during the transaction, the Platform will take freezing measures in the store as the case may be. The store will become "Frozen" and the following prompt will appear: "Your store has been frozen, please contact the customer services for unblocking!"

2.4.9 In order to protect the rights and interests of the purchaser, the Platform does not allow the Supplier Member to transfer the operation rights of the online store and other relevant rights and interests to any other party and/or jointly operate the store with any other party.

2.4.10 The Supplier Member owns the corresponding legal rights to the information released on the site/store. Otherwise, the Platform may handle the information released by the Supplier in the store according to laws or the Rules.

2.4.11 The Supplier Member will collect, store, use, disclose and protect the Supplier's information in accordance with the Service Agreement and the Rules of Privacy and Trade Secret Protection published on the Platform when using the Services provided through the Platform.

2.4.12 The Supplier Member hereby grants to the Platform Operator and its affiliates a royalty-free, worldwide, exclusive license with respect to the information provided and released by the Supplier Member, including text, image, video and audio, with the right to sublicense to other third parties, and agrees the Platform Operator and its affiliates to store, use, copy, modify, edit, publish, display, translate, distribute the information or create derivative works thereof, and to incorporate such information in other works in any form, media or technology, whether now known or hereafter developed. The foregoing shall be in addition to any other license granted in the Service Agreement.

2.4.13 The Platform may publicize the information on the measures taken on violations and other illegal information confirmed by effective legal instruments of state administrative or judicial authorities on the Platform.

2.4.14 If the existence of violations by the Supplier Member is confirmed by an effective legal instrument or a decision on administrative penalty of the state, or the Platform gives facts sufficient to determine that the Supplier Member is in violation of laws or of this Agreement, the Platform reserves the right to publish the violations on the Platform.

2.4.15 In the case of any Member Dispute in the course of the online transaction on the Platform, the Supplier Member may request the Platform to

mediate the dispute according to the Rules of Transaction Dispute Resolution and Complaint Handling. However, the result of handling the transaction dispute by the Platform shall be without prejudice to the parties' right to resolve the transaction dispute through legal means.

2.4.16 The Supplier may request the Platform to mediate any dispute arising from the online transaction on the Platform in accordance with the Rules of Transaction Dispute Resolution and Complaint Handling, but the result of the transaction dispute settlement of the Platform shall not affect the parties to settle the disputes through legal means.

2.5 The Supplier Member shall fully read and understand the Reminder of Relevant Information Regarding Export Sanctions, and conduct commodity display and online and offline transactions in accordance with the relevant laws, regulations and norms, and fully protect the operation security of their own and the Platform.

3. Obligations of the Platform

3.1 The Platform has the obligation to maintain the normal operation of the entire online trading platform, and strive to improve technology, so that registered members online trading activities can be carried out smoothly.

3.2 The platform has the obligation to review all the registration data of registered members in advance, but it does not have the obligation to take the initiative to review all transactions and other matters related to transactions, unless:

- (1) There is evidence that a transaction of a registered member may be illegal;
- (2) There is evidence that a registered member conducts illegal or inappropriate behaviors.

4. Supplementary Provisions

4.1 This Agreement shall be effective on January 1, 2019. By clicking "Accept", the Members agree to be bound by this Agreement.

4.2 This Agreement shall be interpreted by the Platform Operator.

4.3 The Platform Operator reserves the right to amend this Agreement or formulate the supplementary provision and publicize the amended provisions or the supplementary provision from time to time based on the operation needs. The amended provisions or relevant supplementary provisions will be effective

on the designated date in the public announcement. The Rules shall be legally binding on all relevant parties on the Platform from the effective date.