

**BRAND PARTNER'S
PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS) LETTER OF COMPLIANCE AND INDEMNITY**

July 1, 2023

Brand Partner,

Neiman Marcus Group (NMG) values the relationship we maintain with you, and always want to stay connected with you on policy changes that affect our industry. We are writing to ensure you are aware of recent changes to United States law that could impact your products. We ask for your continued support in proactively identifying and preventing any potential issues

NMG is committed to providing high quality products that comply with all applicable federal, state, and local laws, regulations and ordinances, including state and federal laws restricting or banning the sale or distribution of certain products containing PFAS (collectively "PFAS Laws"). Technical definitions of PFAS can vary, but states have defined PFAS as "a class of fluorinated organic chemicals containing at least one fully fluorinated carbon atom."

As you may be aware, at least 11 states in the United States have passed prohibitions on the sale of products containing PFAS, and products that can contain PFAS can occur in such categories as, but not limited to, food packaging, rugs and carpets, juvenile/children's products, textiles, indoor and outdoor upholstered furniture, cosmetics, cookware, leather goods, and countless other consumer products. Some of these laws have already gone into effect, and many will come into effect throughout 2023 and the next several years. States will continue to propose and pass PFAS Laws for these and other products. The federal government, including the U.S. Environmental Protection Agency, may also take action in the future on products containing PFAS.

NMG's terms and conditions, which are integrated into each purchase order, require that all merchandise provided by a vendor be in compliance with all applicable law relevant to the jurisdiction where the merchandise may be delivered. In addition, the terms and conditions state that if NMG has made a request for confirmation of compliance with applicable law, no invoice pertaining to the merchandise shall become due or payable until such request is satisfied.

In consideration of NMG placing orders for products from you ("Brand Partner"), and in compliance with NMG's commitment to providing exceptional quality products that comply with all PFAS Laws, by supplying merchandise to NMG (whether pursuant to purchase order or other agreement between the parties), Brand Partner hereby acknowledges, confirms, agrees to, and certifies the following:

- I. In addition to Brand Partner's other obligations to NMG related to compliance with applicable law, Brand Partner acknowledges and agrees to comply with any and all applicable restrictions imposed by PFAS Laws with respect to all goods and materials (including all components thereof and all packaging) (collectively "Products") that Brand Partner manufactures, causes to be manufactured, or acquires, for or on behalf of NMG, and/or otherwise supplies to NMG or NMG customer's directly. If Brand Partner sources materials from other entities, this certification must be communicated to these entities.

Neither Brand Partner, nor any of Vendor's/Supplier's subcontractors or suppliers, will, in the manufacture or treatment of any Products supplied to NMG, intentionally add PFAS to the Products in any amount or cause PFAS to be unintentionally present in at or above 50 parts per million (ppm), as measured in total organic fluorine, or any lower threshold, as required by applicable law, in Products provided to NMG. Further, Brand Partner will not supply NMG with Products that contain intentionally added PFAS in any amount or PFAS unintentionally present in the Products at or above 50 ppm, as measured in total organic fluorine or any lower threshold, as required by applicable law. "Intentionally added PFAS" means:

- PFAS that a manufacturer has intentionally added to a product and that have a functional or technical effect on the product;
 - PFAS components of intentionally added chemicals;
 - Degradation byproducts of PFAS;
 - PFAS that are intentional breakdown products of an added chemical;
 - PFAS that are deliberately used in the manufacture of a product where the continued presence is desired in the final product to provide a specific characteristic, function, appearance or quality;
 - PFAS added to a product or one of its product components to provide a specific characteristic, appearance, or quality or to perform a specific function; or
 - PFAS in a product that serves an intended function in the product component.
- II. Brand Partner agrees to notify NMG immediately by contacting PFASCompliance@neimanmarcus.com of any Products that it has supplied, is planning on supplying or has made available for supply to NMG for NMG's use or retail sale if such Product contains any intentionally-added PFAS or PFAS unintentionally present in the Products at or above 50 ppm, as measured in total organic fluorine or any lower threshold, as required by applicable law, and Brand Partner agrees that NMG shall be entitled to cancel any order for such Products or return such Products to Brand Partner at no cost to NMG. Brand Partner agrees to reimburse NMG the cost of Products that NMG returns to Brand Partner on the basis that the Products contain any intentionally added PFAS or PFAS unintentionally present in the Products at or above 50 ppm, as measured in total organic fluorine or any lower threshold, as required by applicable law. Brand Partner understands that payment may be withheld if any Product does not comply with this letter. Brand Partner is representing to NMG that all existing product in distribution and purchased product for future distribution does not contain any intentionally-added PFAS or PFAS unintentionally present in the Products at or above 50 ppm, as measured in total organic fluorine or any lower threshold, as required by applicable law if Brand Partner does not notify NMG by contacting PFASCompliance@neimanmarcus.com by **September 30, 2023.**
- III. Brand Partner takes all responsibility for notifying NMG if NMG is not permitted to sell certain Products in particular jurisdictions because of PFAS Laws. Brand Partner shall reimburse NMG any costs or expenses relating to failure to notify NMG of any new requirements relating to PFAS Laws timely.
- IV. Brand Partner agrees to defend, indemnify and hold NMG harmless, using counsel reasonably chosen by NMG, from any alleged and/or actual violation of PFAS Laws arising from or relating to any Products supplied by Brand Partner to NMG.

If you have any questions concerning PFAS Laws, this letter, or the requested indemnification, you should consult with your counsel.

NMG's terms and conditions as well as our requirements relating to PFAS compliance are available on our NMG Ops website (www.nmgops.com). Please continue to check NMG Ops for updates to applicable Brand Partner requirements, policies, and procedures. Thank you, and please reach out to PFASCompliance@neimanmarcus.com for any questions.

We are a relationship business, and we value your continued partnership as we *Revolutionize Luxury Experiences.*

Lana Todorovich, President, Chief Merchandising Officer, Neiman Marcus
Yumi Shin, Chief Merchandising Officer, Bergdorf Goodman