

## LICENSE AGREEMENT

### BACKGROUND.

**A. Parties.** This License Agreement ("Agreement") is entered into on this 15<sup>th</sup> day of April, 2023 between Carroll Shelby Licensing, Inc., a corporation whose address is 19021 South Figueroa Street, Gardena, California 90248, U.S.A. ("CSL"), and Ping Hu Yong Hua Baby Carrier Co. Ltd., a corporation whose address is Xin Ya Road, Xingcang Town, Pinghu City, Zhejiang Province, China ("Licensee").

**B. Purpose.** CSL desires to grant and Licensee desires to acquire a license to use certain intellectual properties in connection with manufacture, sale, and/or distribution of certain merchandise under the terms and conditions as set forth below. Licensee intends to sell and/or distribute the Licensed Merchandise to third parties not affiliated with Licensee ("Customers"). The parties therefore agree as follows:

### SECTION 1. LICENSED PROPERTIES AND LICENSED MERCHANDISE.

**1.1 Licensed Properties.** CSL grants Licensee the right to use the following trademarks, trade names, and other industrial and intellectual property controlled by CSL, and does so for the purpose of enabling their use solely in connection with the manufacture, sale and/or distribution of specific licensed merchandise in accordance with the terms and conditions of this Agreement ("Licensed Properties"):

- (1) SHELBY®
- (2) GT-500®

Notwithstanding the foregoing, and for the avoidance of any doubt, this Agreement expressly prohibits Licensee from using any of the Licensed Properties in connection with its company or corporate name, or in connection with any internet domain name or website. If Licensee wishes to utilize any of the Licensed Properties in connection with its internet domain name or website (only), it must request that CSL register said domain name or website and license it to Licensee pursuant to a written amendment to this Agreement. It shall be within CSL's sole discretion to consent or not consent to such a request, and CSL may refuse to give its consent for any reason, or no reason whatsoever. If CSL grants Licensee's request, then Licensee shall bear any and all fees or costs associated with said domain name or website, including but not limited to its registration or termination. Under no circumstances shall Licensee be permitted to use any of the Licensed Properties in its corporate or company name.

**1.2 Licensed Merchandise.** Licensee desires to use the Licensed Properties in connection with manufacture, sale, and/or distribution of the following merchandise ("Licensed Merchandise"):

(A) 1:4 scale plastic, one-seat, 12v and 6v battery-operated ride-in toy cars in the shape of the 2022 Ford Mustang Shelby GT500 vehicle. Licensee understands and agrees that a separate license is required from Ford Motor Co. for use of additional intellectual property associated with this vehicle.

### SECTION 2. TERRITORY.

- 2.1 Territory.** This Agreement permits Licensee to sell and distribute the Licensed Merchandise worldwide ("Territory").
- 2.2 International Trademark Registrations.** CSL does not warrant that it has registered the Licensed Properties in all countries contained within the Territory. It is CSL's sole discretion to



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*Carroll Shelby Licensing, Inc.*  
*Licensee: Ping Hu Yong Hua Baby Carrier Co. Ltd.*

register the Licensed Properties in the Territory with respect to the Licensed Merchandise. CSL has no obligation to file any such applications nor to continue to prosecute such applications to completion. If there has been no previous registration of the Licensed Properties in the Territory, upon CSL's request, Licensee must provide CSL with the necessary information and additional samples to enable CSL to register a copyright, trademark, and/or service mark and/or record Licensee as a user thereof. Licensee must sign any and all documents necessary to accomplish the foregoing. Failure by CSL to register any such copyright, trademark, or service mark does not constitute a breach of this Agreement. It is the obligation of Licensee under this Agreement to determine if the Licensed Properties are registered in any particular country into which Licensee intends to manufacture or sell the Licensed Merchandise, and if not then to request that CSL cause a registration to be filed, but CSL makes no representation or warranty that such a registration application will be granted by said country.

### SECTION 3. TERM AND NON-EXCLUSIVITY.

- 3.1 **Term.** The term of this Agreement begins on April 15, 2023, and ends on December 31, 2027. Each reference to "Term" in this Agreement means this period of time.
- 3.2 **Non-Exclusivity.** The Agreement gives Licensee a non-exclusive right to use the Licensed Properties.
- 3.3 **Diligence.** Throughout the Term of this Agreement, Licensee shall (i) continue to diligently and continuously distribute, ship and sell the Licensed Merchandise throughout the Territory, and (ii) use its best efforts to make and maintain adequate arrangements for the distribution, shipment and sales necessary to meet the demand in the Territory.

### SECTION 4. ROYALTIES.

- 4.1 **Royalties.** In consideration for the rights granted to Licensee in this Agreement, Licensee shall pay CSL royalties as set out below. Royalties at the stated rate are due and payable on all units of Licensed Merchandise distributed by Licensee, excluding Licensed Merchandise distributed to CSL. Royalties accrue on the shipment of Licensed Merchandise by or at the direction of Licensee.

(C) Licensee's "Actual Wholesale Price" means the highest price customarily charged for Licensed Merchandise when sold by Licensee to Customers through any means or markets other than through retail stores or outlets owned or controlled by, or affiliated with Licensee, or the owners or affiliates of Licensee.





Carroll Shelby Licensing, Inc.  
Licensee: Ping Hu Yong Hua Baby Carrier Co. Ltd.

**SECTION 24. EXCLUSIVE REMEDY.**

24.1 Damages. Licensee's exclusive remedy for any cause of action arising as a result of this Agreement will be payment by CSL to Licensee of an amount of money not exceeding the total of the royalties actually paid by Licensee to CSL under this Agreement.

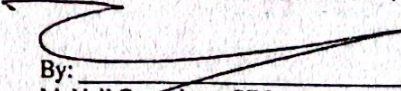
**SECTION 25. EFFECTIVE UPON EXECUTION.**

25.1 Full Execution. This Agreement made as of the date at the top of this Agreement. This Agreement is effective only upon full execution by CSL and Licensee.

Agreed and Accepted by:

CSL:

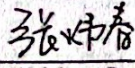
CARROLL SHELBY LICENSING, INC.

By:   
M. Neil Cummings, CEO

Date: July 9, 2023

LICENSEE:

PING HU YONG HUA BABY CARRIER CO. LTD.

By:   
Zhang Weichun, General Manager

Date: 2023.7.



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