



EUROMED, S.A. GENERAL SALES CONDITIONS (“GSC”)

1. Definitions and Applicability of GSC:

1.1 Definitions

- **Seller:** EUROMED S.A.
- **Purchaser:** Person or entity that is a recipient of a good or service provided by the Seller under a purchase order or a supply agreement.
- **Product(s):** Products: goods subject to the sale and sale produced and marketed by the Seller.
- **Order:** document or binding purchase request directed by the Purchaser to the Seller for the purchase and delivery of the Products.
- **Order Confirmation:** The document sent by the Seller to the Purchaser to confirm the acceptance of the Order.

1.2. These general sales conditions shall apply in relation to each purchase order of the products manufactured by the Seller, that are carried out within the framework of a supply agreement entered into by and between the Seller and the Purchaser, if not otherwise specified in such agreement

2. Offer, acceptance and formation of the Agreement:

2.1 The offer of the Seller is binding upon the Seller during the period indicated in the offer, if any or during the term of thirty (30) days from the formalization of the offer to the Purchaser, as the case may be.

2.2 Once the offer has been accepted by the Purchaser, the agreement shall be deemed to be binding on both parties upon receipt of a purchase order from the Purchaser. Therefore, with regards to a supply in particular, such supply shall be deemed to be binding for the parties, when the Seller confirms in writing such purchase order (“Order Confirmation”).

3. Supply and delivery of the Products:

3.1 The delivery, or deliveries, shall be made in the terms agreed between the parties in the agreement or, if any, at the time agreed between the parties for such delivery. In particular, and always that suitable means of transportation are available that time, and taking into consideration the specifications and instructions regarding the Products the Purchaser has instructed.

The most recent version of Incoterms applicable at the date Seller’s quotation or agreement shall apply. In the event there is no agreement or no Incoterms stipulated in the supply agreement, the terms of delivery shall be FCA (Incoterms 2010).

3.2 Each delivery carried out in execution of the agreement shall be considered as a separate contract with regards to the rest of deliveries to be made within the agreement. The non-fulfilment of one or more deliveries shall not invalidate the balance of the agreement, except as otherwise provided hereunder.

3.3 If, once the purchase order is confirmed by the Seller, the Purchaser proceeds to cancel the order for any reason, the Purchaser will have to notify immediately the Seller, quoting the reference number of the order. In any case, the Seller reserves the right to claim compensation for all the damages incurred by the Seller as a result of the cancellation of the purchase order. This compensation in no event shall be less than 20% of the total price agreed. The aforesaid relevant amount will have to be paid by the Purchaser in the maximum term of thirty (30) days from notification of the order cancellation by the Purchaser.

3.4 The risk of the goods with regards to products shipped on board, by multimodal transport or by other modes of transport, shall pass to the Purchaser in accordance with the International Rules for the Interpretation of Trade Terms (Incoterms, Edition 2010) of the International Chamber of Commerce.

3.5 Should delay in delivery occur by other causes than those mentioned in Clause 7 below, the Parties shall fix, by mutual agreement, an additional period of time of reasonable length for delivery.

3.6 Each delivery shall be considered to have been completed in accordance with the agreement when, for technical reasons, the quantity of product delivered against each separate item of the delivery neither exceeds nor falls short of the contractual quantity by more than the limit of tolerance, which is, +/- 10 %. As consequence, the Purchaser shall be compelled to accept the excess of the quantity agreed within the limit of tolerance. In any case, within the limit of tolerance indicated above, the net weight agreed in the order shall be invoiced.

3.7 Should delay in delivery be caused by causes attributable to the Purchaser (as for example, the non acceptance of the delivery, the non-fulfilment of the contractual obligations in regard to the delivery, etc.), the Seller shall be entitled to arrange for the storage of the goods at the exclusive risk and cost to the Purchaser. Nevertheless, the Purchaser shall make payment on delivery to storage as if the goods had been delivered.

3.8 Unless the failure of the Purchaser is due to circumstances stated in Clause 7.2 hereunder, the Seller shall be entitled to cancel the agreement for all purposes, with regards to undelivered products, as well as to claim the indemnity for damages and prejudices.

4. Price: In the event that during the term of the agreement, export and import duties, customs charges, taxes on export, import and delivery, or similar charges are increased as a result of decisions made by authorities, or if new duties, taxes and charges are introduced and implemented in respect of the relevant goods or its transport, the Seller

shall be entitled to increase the price of the Products. The Seller shall immediately notify any such circumstances to the Purchaser. In any case, the delay to apply the revision of the price shall be considered as its renounce or maturity.

Unless otherwise agreed, all prices are net prices stated in Euros (EUR /€) and do not include any applicable taxes. All applicable taxes and in particular Value Added Tax (VAT) shall be paid by the Purchaser at the currently applicable rate, which will be indicated in the invoice(s).

5. Payment:

5.1 Payment shall be made in accordance with the conditions of payment agreed, at the time or times agreed upon in the agreement. In absence of such an agreement, the payment shall be effective within 30 days after the issuance of the relevant invoice.

5.2 If the invoice has not been duly paid on its due date, the overdue payment shall automatically bear an interest at the Spanish legal interest rate applicable at that moment.

5.3 If the Purchaser is in default of payment on the date agreed, the Seller shall be entitled to cancel the entire agreement, without prejudice to all other remedies, in ten (10) days from the date the Seller has formerly required the Purchaser to make effective the payment, if the payment has still not reached them.

5.4 Should the Purchaser be in default in making a payment due under the agreement, the Seller shall have the right upon giving notice to the Purchaser in writing by virtue of the Clause above, to withhold deliveries due to the Purchaser under the order, as well as under all other contracts made between them, until all payments are duly received by the Seller. The Purchaser shall not be entitled to any contractual remedies on account of delay in delivery caused by the exercise of the aforesaid withholding right.

6. Quality of the Products:

6.1 The quality of the products shall be in accordance with the agreement and any specifications, indications and standards referred to in the order.

6.2 The Purchaser shall check the quality of the delivered products upon receipt. If the quality is not in accordance with the quality contracted for, then the Purchaser shall inform the Seller in writing immediately.

6.3 Claims for defects of quality shall be made by the Purchaser as soon as the defect is discovered, but within eight (8) weeks from the time the products are unloaded at the Purchaser's warehouse. Once past such term, no claims regarding the products shall be accepted, and the Seller will not be responsible for claims made after the above mentioned term.

6.4 When giving notice of claim within such term, the Purchaser shall clearly identify the affected goods and state fully the facts on when and how such defects have been

discovered. Upon discovery of a defect, the Purchaser shall take all necessary and reasonable measures to prevent or limit any damages that may result from such a defect.

6.5 The Purchaser shall, whenever considered necessary by the Seller, allow the inspection of the whole delivery including the defective goods as well as non-defective goods by the Seller or their representative. If by any circumstance, inspection of the whole delivery is not possible, the liability of the Seller shall not exceed the invoice value of the defective goods that the Seller has had the possibility to inspect. The Purchaser shall bear the burden of proof for the defects of goods.

6.6 In so far as the Seller delivers products which are subject to quality and taste deviations, the guarantee claims shall not be valid if the deviations are within the margin of tolerance generally accepted by the food industry and pursuant to the science and technical status. In any event, the Seller reserves the right to designate an independent expert to check the relevant quality and taste deviations.

7. Force Majeure:

7.1 It shall not be considered that the Seller has breached the agreement, if any of the following circumstances occurs:(i) When the breach is attributable to any of the circumstances set forth in Clause 7.2 below, (ii) if the breach occurs after conclusion of the agreement, if the breach occurs before that time, but their effects were not clearly foreseeable before the conclusion and they prevent, hinder or delay: (1) the production in which the Purchaser intends to use the goods, (2) the Purchaser's acceptance of the products or, (3) the Seller's production or delivery by agreed means.

7.2 The following circumstances shall be considered cases of relief (force majeure): Industrial and labour disputes, the non-availability of raw materials, unproductive harvests, natural disaster, and any other circumstances including but not limited to fire; flood; mobilization; war; insurrection; requisition; embargo; blockade; currency restrictions; general shortage of transport, materials, energy and water; obstructions of railways, non delivery or faulty or delayed delivery by the supplier of raw materials, Acts of God, labour disputes, strikes, acts of governmental agencies, or any other circumstances beyond the control of the Seller, whether or not similar to the causes enumerated herein.

7.3 The Seller shall, without delay, inform the Purchaser of the intervention and cessation of any of the aforesaid circumstances impeding the performance of the Seller. If by such circumstances, the normal performance of the Seller becomes impossible for more than one (1) month, the parties shall be entitled to cancel the agreement, giving prior notice in writing with one (1) month for the termination. The parties shall not be entitled to claim damages and prejudices for the resolution of the agreement due to the above mentioned causes.

8. Warranty, limitation of damages and waiver:

8.1 Warranty: The Seller warrants to the Purchaser that the products sold shall be free from defects in material and workmanship and shall comply with all specifications expressly agreed to in writing by the Seller to be applicable to this sale. Notwithstanding the foregoing, no other warranty, expressed, or arising by operation of law or trade usage or otherwise implied (including without limitation the warranty of merchantability and the warranty of fitness, shall exist). All such warranties are hereby disclaimed by the Seller and waived by the Purchaser. There are no warranties which extend beyond those expressly given herein.

8.2 Pursuant to the provisions set out in Clause 6 above, the defective products shall be replaced by products of agreed quality as soon as possible. The replacement shall be carried out by the Seller without cost to the Purchaser. The parties may alternatively agree upon a price-reduction, or a reimbursement of the price paid, in order to compensate the Purchaser for the difference in the value of products of agreed quality and defective products. The liability of the Seller shall not apply to defects due to causes arising after the risk of goods has passed to the Purchaser. The replacement of defective products or a price reduction shall exclude any other remedies of the Purchaser pertaining to inferior quality of the products delivered. Defective products replaced or reimbursed as aforesaid shall upon request of the Seller be placed at the disposal of, or returned to, the Seller, within the term of fifteen (15) days from its notice in writing.

8.3 When either party is liable for damages to the other under the agreement, these shall not include consequential damages. The indemnity for the damages shall in no case exceed the invoiced value of any single delivery or part thereof that has been delayed or defective. However, in case the Seller can prove that the specification provided by the Purchaser has been duly fulfilled, no liability for damages will exist.

8.4 If one party alleges a breach of agreement by the other party, the latter party must take all necessary and reasonable measures to mitigate the damages arising from such a breach.

8.5 The failure of either party at any time to require performance by the other party of any provision herein or of the agreement, shall in no way affect the full right to require such performance at any time thereafter. Nor shall the waiver by either party of a breach of any obligation herein be taken to be a waiver of any succeeding breach of such provision or a waiver of the provision itself.

9. Product liability:

9.1 Should either party receive a product liability claim concerning the contractual products, this party shall inform the other party in writing not later than five (5) days from the reception of the claim.

9.2 In the case of damage caused by harmful inherent vices of the products or by the information, instruction or advice given hereto, the Seller shall be liable before the Purchaser only for personal injury, damage to the property, or damage to goods of which

such products constitute a part, and only if it is proven that such damage was caused by intent or gross misconduct by the Seller (including its employees, assistants, or someone the Seller is responsible for).

9.3 When the goods have been delivered subject to drawings, materials, models, specifications or other instructions by the Purchaser, the Purchaser shall be responsible for damages entitled by the Seller and end-customers, due to such specifications and/or instructions.

9.4 Should any of the parties pay compensation to a third party for damages that the party in question is not liable for, according to Clauses 9.2 and 9.3, the party who has paid the compensation is entitled to a claim of recourse from the other party, pursuant the applicable civil law.

10. Retention of title: The products shall continue to remain the sole and full property of the Seller until the entire amount is paid per invoices issued by the Seller for the sale, delivery or supply of Seller's products, including delay interest, collection and negotiation expenses, and claims, and all the rights arising for the Seller. If the products are processed or transformed by the Purchaser, the Seller's retention title applies to the new resulting products, and their derivatives, or sub-products, and if processed, mixed or combined with other products, the Seller shall also have property title as co-owner on the resulting product for a value that, if cannot be properly allocated, shall be proportional to the price invoiced by the Seller for the products in relation to the other items incorporated. The Purchaser hereby assigns and transfers to the Seller all rights as they may have with regard to the products supplied, and with regard to the products resulting from processing or combining them, and their value or sales price, that shall be proportional when mixed or combined with third parties' products. Should the Purchaser assign its cash, consideration or receivable rights arising from the sale, rental, assignment or any other form of marketing, or distribution of the products or the products resulting from processing or combination thereof, under any title or concept, to any person or entity, especially in case of factoring agreements, the Seller's invoices not due yet, shall become automatically immediately net, due and payable, and the Purchaser hereby assigns and transfers all of their rights arising from such assignment, against its assignees, and their subsequent assignees and successors, and the Seller shall subrogate and thus own all amounts as the Purchaser may receive from such assignment. The Purchaser shall inform the Seller of any act, fact, circumstance or issue that is relevant for the due fulfilment of all the foregoing, as soon as they become aware thereof. The Purchaser shall keep the products, as well as the products and items in which the products result after processing or combination, free of any charge to the Seller, and shall insure them as if they were their own assets, and hereby assigns to the Seller, who accepts, all rights and actions and claims the Purchaser may have on the basis of the foregoing against third parties, insurance companies, and their successors and assignees. Likewise, and always provided that it is relevant for the purposes of duly fulfilling these covenants, the Purchaser shall inform all third parties of the existence of this retention of title covenant. The Purchaser shall not sell, dispose, encumber, lease, assign or transfer the products under this retention of title

covenant, unless and while, at all times, the Purchaser, as well as third parties and financial institutions taking the products or rights, duly fulfil and honour their respective obligations.

11. Packaging and Containers: The containers and packaging in which the Products are served must be correctly managed by the Buyer in accordance with the applicable local legislation.

12. Applicable law and settling of disputes:

12.1 The agreement shall be governed and interpreted in accordance with the laws of Spain.

12.2 For any matter arising in connection with the interpretation, fulfilment or execution of the provision of the agreement, or with any of the provisions herein, the parties expressly accept the jurisdiction of the courts of the City of Barcelona (Spain), expressly waiving any other forum to which they may be entitled.

12.3 Notwithstanding the provisions set forth in this clause, the Seller shall be entitled to lodge claims concerning outstanding debts in the competent courts of the Purchaser's domicile or place of business.

EUROMED, S.A. Polígono Can Magarola, E-08100 Mollet del Vallès Barcelona, Spain.
Tel: + 34935440110 Fax: +34935440111 www.euromed.es

December, 2017 Rev 1.0