

TERMS AND CONDITIONS OF SALE OF GOODS

of Lamex Foods, Inc., Lamex Agrifoods, Inc., Lamex Agrifoods Canada Limited, and Lamex Foods (Canada) Limited

1. DEFINITIONS

1.1 In these Terms:

"Acceptance of Order" means the email or other communication from the Supplier to the Customer following receipt of that Customer's Order detailing the Goods that the Supplier is willing to supply to the Customer and the principal terms and conditions upon which the Supplier is willing to supply such Goods;

"Authorized Representatives" means a director or other senior representative from each party with authority to settle the dispute in question;

"Business Days" means a day (other than a Saturday, Sunday or public holiday) when banks in the State of Minnesota, the State of Florida and the Province of Ontario are open for business;

"Collection" means the availability of the Goods for collection by the Customer on the Collection Date, in accordance with clause 6 herein;

"Collection Date" means the date for Collection to be advised to the Customer in accordance with clause 6.1;

"Confidential Information" means information marked as confidential or which is otherwise of a confidential nature (including, but not limited to, trade secrets and information of commercial value, technical information, price lists, data, business plans, customer information, party's operations, processes, plans, product information, know-how, designs, software and market opportunities) known to the Customer and concerning the Supplier or the Goods and communicated to the Customer by the Supplier, except to the extent that such information:

- a) is already in the public domain at the date of the disclosure; or
- b) enters the public domain other than by a breach of an obligation of confidentiality;

"Consignment" means a batch or part of the Goods;

"Contract" means the (formal or informal) Sales Contract between the Supplier and the Customer for the sale and purchase of the Goods generated by the Supplier by reference to the Order, the Acceptance of Order and the Specification and incorporating (whether expressly or by implication) these Terms. Where there is no additional step undertaken by the Supplier then the Acceptance of Order incorporating (whether expressly or by implication) these Terms shall constitute the Contract.

"Delivery" means delivery of Goods to the Customer on the Delivery Date, in accordance with clause 6 herein;

"Delivery Date" means the date for Delivery, to be advised to the Customer in accordance with clause 6.1;

"Event of Default" means any of the events detailed in clause 15.1;

"Force Majeure Event" means any event beyond a party's reasonable control, which by its nature could not have been foreseen, or, if it could have been foreseen, was unavoidable, including (but without limitation) strikes, blockades, lock-outs or other industrial disputes (whether involving its own workforce or a third party's), failure of energy sources or transport network, acts of God, act of any governmental authority, war, terrorism, riot, civil commotion, interference or over-regulation by governments, civil or military authorities, political sanctions, political interventions, embargo, terrorism, labour dispute, national or international calamity, armed conflict, malicious damage, breakdown of plant or machinery, nuclear, chemical or biological contamination, sonic boom, explosions, collapse of building structures, fires, floods, storms, earthquakes, loss at sea, flood, tornado, hurricane, epidemics, disease (human or animal), delay due to governmental procedures, shortage of raw materials -including without limitation shortage resulting from inadequate produce, honey or livestock supply or from grade changes resulting from variations in produce, honey or livestock supply-, shortage or non-availability of transportation facilities or equipment, delays in the Customs due to testing of products such as testing of honey's origin in the US, or similar events, natural disasters or extreme adverse weather conditions, or default of suppliers or subcontractors.

"Goods" means the goods which Supplier is to supply to Customer in accordance with these Terms and as described in the Contract (and which may refer to a number of Consignments);

"INCOTERMS" means the international rules for the interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made;

"Intellectual Property Rights" means all patents, rights to inventions, utility models, copyright and related rights, trademarks, service marks, trade, business and domain names, rights in trade dress or get-up, rights in goodwill or to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database right, topography rights, moral rights, rights in confidential information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications for and renewals or extensions of such rights, and all similar or equivalent rights or forms of protection in any part of the world and **'Intellectual Property Right'** means any one of the Intellectual Property Rights;

"Location" means the location set out in the Contract or such other location as the parties may agree to which the Goods are to be delivered by the Supplier or collected by the Customer, as the case may be;

"Offer" means, following preliminary dialogue between the Customer and the Supplier regarding the Goods and the price thereof, an offer from the Supplier to sell the Goods to the Customer;

"Order" means, following preliminary dialogue/discussions between the Customer and the Supplier regarding the Goods and the price thereof, an offer from Customer to purchase Goods from the Supplier;

"Packing" means the type of packing of the Goods;

"Payment" as defined in clause 5.2;

"Payment Terms" means the terms of payment for the Goods described in clause 5;

"Price" means the price of the Goods;

"Price Terms" means the terms of the Price of the Goods described in clause 4;

"Quantity" means the amount of Goods ordered;

"Shipment Details" shall be the date and any other details relating to a Delivery or Collection (as the case may be) set out in the Contract;

"Special Location" as defined in clause 6.7;

"Specification" means the detailed specification of the Goods in the form expressly or by implication agreed by the parties, subject always to the provisions of clause 2.6;

"Supplier" means: a) **Lamex Foods Inc** (a company incorporated in the State of Minnesota with federal tax number 41-1548557 and state tax number 3559973 whose registered office is at 8500 Normandale Lake Blvd, Ste 1150, Bloomington MN 55437), b) **Lamex Agrifoods Inc** (a company incorporated in the State of Florida with federal tax number 45-3765255 and state tax number 2932993 whose registered office is at 800 Brickell Ave, Suite 700, Miami, FL 33131), c) **Lamex Agrifoods Canada Limited** (a company incorporated in the Province of Ontario with registration number 670877 and tax ID 811037738 whose registered office is at 199 Bay Street, Suite 2200, Toronto, ON M5L1G4, Canada), d) **Lamex Foods (Canada) Limited** (a company incorporated in the Province of Ontario with registration number 1018580-9 and tax ID 68584842 whose registered office is at 199 Bay Street, Suite 2200, Toronto, ON M5L1G4, Canada) and their divisions, subsidiary companies, holding companies, associates and any other marketing or trading names in use;

"Supplier Warranty" as defined in clause 8.1;

"Terms" means these terms and conditions of sale, as amended from time to time in accordance with clause 17.22;

"Vessel/Carrier" means the type of container used to transport the Goods to the Customer.

1.2 Clause and paragraph headings shall not affect the interpretation of these Terms.

1.3 References to clauses are to the clauses of these Terms.

1.4 Unless the content otherwise requires, any terms or expressions which are defined in or given a particular meaning by the provision of Incoterms shall have the same meaning in these Terms, but if there is any conflict between the provisions of Incoterms and these Terms, the latter shall prevail.

1.5 Words in the singular shall include the plural and vice versa. A reference to one gender shall include a reference to the other genders.

1.6 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.

1.7 An obligation in these Terms on a person not to do something includes an obligation not to agree or allow that thing to be done.

1.8 A reference to a statute, statutory provision or any subordinate legislation made under a statute is to such statute, provision or subordinate legislation as amended or re-enacted from time to time whether before or after the date of these Terms and, in the case of a statute, includes any subordinate legislation made under the statute whether before or after the date of these Terms.

1.9 Except under clause 17.11, a reference to writing or written includes faxes and email.

1.10 Any phrase introduced by the terms including, include, in particular, or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

2. OPERATIVE

2.1. These Terms shall be incorporated (whether expressly or by implication) into the Contract and shall apply in place of and prevail over any terms and conditions contained or referred to in any communication from the Customer or implied by trade, custom or practice or course of dealing. Other purported terms and conditions which the Customer seeks to impose or incorporate are expressly rejected by the Company.

2.2. These terms and conditions together with the Contract of sales represent the entire agreement between the buyer and the seller (purchaser and supplier). Any and all of the purchaser's purchase order terms and conditions are hereby rejected. No prior or contemporaneous negotiations, correspondence, conversations, prior course of dealing or usage of trade shall be deemed in any way to affect the specific terms hereof.

2.3. These terms and conditions shall be binding on Purchaser regardless of whether Purchaser has signed and returned Supplier's Sales Contract. Purchaser shall be deemed to have accepted these terms and conditions by the following occurrence, whichever occurs first: (1) Purchaser returns a signed Sales Contract to Supplier or otherwise expresses written agreement to the sales contract, (2) Purchaser receives Supplier's Sales Contract and fails to object to the Contract 3 days upon receipt, (3) Purchaser accepts or makes payment for all or any parts of the products, and (4) any other action evidencing Purchaser's acceptance of the Contract.

2.4. In the event of any inconsistency between these Terms and any of the other terms of the Contract then the terms of the Contract shall prevail.

2.5. Each Order placed by Customer shall be deemed to be an offer by Customer to purchase the Goods in accordance with these Terms. The Customer is responsible for ensuring that the terms of the Order and the related Specification submitted by the Customer are complete and accurate.

2.6. Once Supplier has provided its agreed version of the Specification to Customer, Customer shall have two weeks in which to accept or propose variations to the Specification as so supplied to it. If Customer fails to respond either substantively or at all regarding the Specification within this two-week period, then the Specification as supplied by Supplier shall be deemed to be the agreed form Specification for the purposes of the Contract.

2.7. Following the receipt by Supplier of the Order, the Supplier shall send to the Customer the Acceptance of Order. Immediately thereafter the Contract reflecting such terms shall be generated by Supplier and sent to Customer. The Contract shall constitute the basis and terms upon which the Goods will be supplied. Any Order shall only be deemed to be accepted by Supplier once the Contract has been submitted by the Supplier to the Customer. For the avoidance of doubt, where there is no additional step undertaken by the Supplier

then the Acceptance of Order incorporating (whether expressly or by implication) these Terms shall constitute the Contract.

2.8. The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of the Supplier which is not set out in the Contract.

2.9. It is acknowledged by the parties that, in certain circumstances:

a) the Supplier will be instructed to Deliver the Goods to, or make them available for Collection by, a third-party processor who will process the Goods on behalf of the Customer in circumstances where the Customer will remain directly liable to the Supplier for the Price of the Goods; and/or

b) the Supplier will be instructed to Deliver the Goods to, or make them available for Collection by, a third-party processor who will process the Goods on behalf of the Customer in circumstances where the third-party processor will be invoiced for, and discharge, the Price of the Goods.

Notwithstanding these requested variations, which the Supplier will use all its reasonable endeavours to achieve, the identity of the Customer shall be as set out in the Contract and the Customer as so identified shall remain primarily liable to collect/receive and pay for the Goods under the terms of the Contract and these Terms.

3. THE GOODS

3.1 All descriptions and illustrations contained in any Supplier catalogue, price list, advertisement, representation or otherwise communicated to Customer are produced for the sole purpose of giving an approximate or general idea of the Goods described in them and shall not form part of the Contract in any way or have any contractual force.

3.2 If a sample of Goods supplied was exhibited to and inspected by Customer, it is hereby agreed that such samples were so exhibited and inspected solely to enable Customer to judge for itself the quality of the Goods and not so as to constitute a sale by sample.

3.3 Unless otherwise agreed between Supplier and Customer, Supplier reserves the right to deliver the Goods stipulated on the Contract within a tolerance of plus or minus 5% on the volume or value of the Goods so stipulated, and the Customer agrees to accept such increased or reduced (as the case may be) quantity delivered in satisfaction of the Contract. The value of the Goods delivered under the applicable Contract and due from the Customer will be amended pro-rata to the Quantity delivered and will be deemed to be incorporated into the Contract, as amended.

4. PRICE

4.1 Prices quoted by Supplier (whether verbally or in writing) shall not be deemed to be offers capable of acceptance and may be withdrawn by Supplier at any time prior to a Contract being entered into.

4.2 All sales are subject to approval of the Seller's credit department. All prices shall be in the currency identified in the Sales Contract and all payments must be made in that currency regardless of any fluctuations in the currency of other countries. All remittances shall be submitted according to invoice terms unless otherwise agreed to in writing by the parties in advance of the remittance.

4.3 Subject to these Terms, the Price of the Goods together with the Price Terms and Payment Terms shall each be set out in the Contract and is set out net of Value Added Tax. The Customer shall, on receipt of a valid VAT invoice from the Supplier, pay to the Supplier such additional amounts in respect of VAT as are chargeable on the supply of the Goods.

4.4 For sales in which delivery will be made outside the United States or Canada, the Sales Contract price does not include payment of any tax, duty, tariff, or other charge assessed by any foreign government entity. Purchaser shall be responsible for the payment of all such charges. For sales in which delivery will be made within the United States or Canada and Seller is the importer of record, the Sales Contract price includes duties, taxes, tariffs and other government charges set by the United States or Canada as of the date of the sales contract. To the extent the rate of any duty, tax, tariff or other government charge increases from the date of the Sales Contract to the date of delivery, or the formula by which the government calculates any duty, tax, tariff, or other government charge related to the Contract results in an increase of total government charges from the date of the Sales Contract to the date of delivery, Purchaser shall be responsible for any such increase.

4.5 Where Packing, carriage, insurance, storage or other charges are shown separately from the Price, they are nevertheless payable by Customer at the same time as if they form part of the Price and the Contract and shall be treated as such for the purposes of these Terms.

4.6 Where Customer requests Supplier to produce or procure Customer specific packing for use in relation to the Goods then, in the event of the termination of the Contract (howsoever arising) Customer agrees to indemnify Supplier for the full costs to Supplier of all Packing which have been produced or procured by Supplier on behalf of Customer but which remain unused as at the date of termination of the Contract.

4.7 The Supplier may, by giving notice to the Customer at any time before Delivery or Collection, increase the price of the Goods to reflect any increase in the cost of the Goods that is due to:

- a) any factor beyond the Supplier's control (including as a result of a Force Majeure Event, foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);
- b) any request by the Customer to change the Delivery or Collection date(s), quantities, Specification or types of Goods ordered; or
- c) any delay caused by any instructions of the Customer or failure of the Customer to give the Supplier adequate or accurate information or instructions.

4.8. The contract is based on freight rates prevailing at the time of the order. Any increase in freight costs may be added to the cost of goods.

5. PAYMENT

5.1. The Supplier may invoice the Customer for the Goods on or at any time after the completion of Delivery or Collection, unless otherwise agreed in the Contract.

5.2. The Customer shall pay the relevant invoice in full and in cleared funds on the payment date and in accordance with the Payment Terms set out in the Contract ("Payment"). Payment shall be made to the bank account nominated in writing by the Supplier.

5.3. The regular Terms of the Contract may require a Prepayment within 7 days of the Contract to secure the order. Any Prepayment Terms should be defined in the Contract.

5.4. Where Orders are to be delivered by Consignments, each Consignment will be invoiced and shall be paid for separately.

5.5. If the Customer fails to pay any invoice within 10 Business Days of the due date for payment, then the Supplier may charge interest to Customer on the amount overdue calculated on a daily basis at the rate of 1,5% per month, unless prohibited by any applicable law (in which case the maximum rate permitted shall apply) on all unpaid invoices after due date for said invoice, and without prejudice to any other rights of Supplier. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Customer shall pay the interest together with the overdue amount.

5.6. The Customer shall pay all amounts due under the Contract in full without any set-off, counterclaim, deduction or withholding (except for any deduction or withholding required by law).

5.7. The Supplier may at any time, without limiting any other rights or remedies it may have, set off against any amount due from the Customer to the Supplier:

a) any amount owing by the Supplier to the Customer for any goods or services supplied by the Customer to the Supplier from time to time;

b) any sums due from the Supplier to the Customer in respect of credit notes issued by the Supplier from time to time;

c) any sums received by the Supplier from the Customer where the Customer has failed to identify the invoice(s) against which the payment is being made, in which event the Supplier shall apply such sums against the outstanding invoices due from that Customer in chronological order (oldest to newest).

5.8. Subject to the Supplier's rights of set-off as specified in clause 5.7, time shall be of the essence for Payment under these Terms and, unless otherwise agreed by the Supplier at its sole discretion, Payment under a Contract is a condition precedent for any future Deliveries of Goods to Customer under that or any other Contract.

5.9. Notwithstanding the preceding provisions of this clause 5, upon the occurrence of an Event of Default, or the termination of a Contract for any reason, or the non-payment of any invoice on the due date for payment (except where such invoice is disputed in good faith), any period of credit permitted to Customer under any Contract shall cease to apply and payment for all Goods under the Contract (including, for the

avoidance of doubt, all Consignments) shall then become due or be deemed to have become due from the date of such event.

5.10. Supplier may amend the Payment Terms applicable to Customer on reasonable notice to Customer in the event that the Supplier has concerns over Customer's creditworthiness. In addition, the fulfillment of any Contract by Supplier shall be conditional upon satisfactory results of credit checks on Customer, whilst each Collection or Delivery of Goods shall be conditional on the creditworthiness of Customer remaining satisfactory. Supplier may suspend or terminate any Contract without liability in the event that, in its sole reasonable opinion, Customer's creditworthiness is adversely affected or deteriorates, or Customer fails to supply to Supplier or to its agent's satisfactory credit information when requested to do so. In the event of such failure to supply information or deterioration of the Customer's credit rating then any period of credit extended to Customer by Supplier may, at the sole discretion of Supplier, be withdrawn or reduced.

5.11. In the event that Purchaser receives a change in payment instructions of any kind from Supplier or any person or entity purporting to be Supplier or acting on behalf of Supplier, the Purchaser shall confirm the change in payment instructions: (1) by telephone with Supplier and (2) in writing with Supplier using Supplier's email address, accountsreceivable@lamexfoods.us. Purchaser shall at all times remain liable in full for all sums due and owing to Supplier. Purchaser shall never accept any changes in bank details or new bank details which are stated on invoices or e-mail correspondence and shall always perform a phone confirmation to its contact at the Supplier and shall avoid any phone number stated on e-mail correspondence.

6. DELIVERY/COLLECTION

6.1. The destination routing of shipments and carrier selection will be at Supplier's option. Delivery dates provided by Supplier are estimates only, and Supplier's failure to meet the same shall not be deemed a breach of the Contract. Supplier will not be responsible to Purchaser for damages arising from delays in delivery. Partial shipments/deliveries are permitted within the shipment/delivery period stated in the sales contract. Each shipment/delivery constitutes a separate contract and failure of any one shipment and/or delivery shall not invalidate or constitute a breach of any remaining shipment or delivery, or the Contract as a whole. Purchaser shall promptly accept delivery of the Product at the time Supplier makes the Product available for shipment/delivery. Purchaser shall be responsible for any damages to Supplier arising from Purchaser's delay in shipment or delivery, including any lost profit, storage fees, or finance charges.

6.2. Shipment Details contained in the Contract are given in good faith and as an estimate only. Time for performance by the Supplier of Collection or Delivery shall not be of the essence under these Terms. The Supplier shall not be liable for direct or indirect loss, damage or expense arising from any delay in Delivery or Collection of the Goods or any non-Delivery or non-Collection of Goods that is caused by (i) a Force Majeure Event, or (ii) the Customer's failure to provide the Supplier with adequate Delivery or Collection

instructions or any other instructions that are relevant to the supply of the Goods, or (iii) any other delay that is caused by the acts of the Customer.

6.3. Delays by the Supplier in Delivery or Collection shall not entitle the Customer to (i) refuse to take Delivery/Collection (as the case may be), or (ii) claim damages, or (iii) terminate this Contract (subject to clause 15).

6.4. Supplier shall reserve the right where Collection or Delivery shall be by Consignments, to treat each Delivery or Collection as a separate Contract.

6.5. The Customer shall accept Deliveries or Collection of Goods at the Location and shall be liable for any additional costs suffered by Supplier in the event of wrongful refusal or delay in accepting Delivery or Collection, or in failing to provide adequate premises, services or information for Supplier to effect proper and safe Delivery or Collection.

6.6. If, 10 Business Days after the day on which the Supplier has notified the Customer that the Goods are ready for Delivery or Collection, the Customer has not accepted Delivery or Collection of the Goods or any Consignment, the Supplier may resell or otherwise dispose in part or all of the Goods or any Consignment, and (after deducting reasonable storage and selling costs) may account to the Customer for any excess over the price of the Goods or any Consignment, or charge the Customer for any shortfall below the Price of the Goods or any Consignment.

6.7. Where the Goods are being supplied at the request of a Customer for import into a country that is not the main jurisdiction of the Supplier (a "**Special Location**"), then subject to any special terms agreed in writing between the Customer and Supplier at the relevant time or otherwise reflected in the Contract:

a) the Customer shall be responsible for complying with any legislation or regulations that apply to the import of the Goods into the Special Location and for the payment of any duties thereon;

b) to the extent that these items do not form part of the Price, Customer shall be responsible for all taxes, airport duties, Delivery or Collection costs and other charges arising on the delivery of the Goods to the Special Location;

c) the Goods shall be delivered on an uncleared c.i.f. basis (Cost, Insurance, Freight) or c.i.p. (Carriage and Insurance Paid) basis to the Special Location; and

d) Customer shall be responsible for advising the Supplier in writing and within a reasonable period of time prior to proposed Delivery Date (so as to provide the Supplier with sufficient time to deal with these matters) of the labelling, health certificates and/or importation documentation that are required to be obtained by the Supplier to permit the import of the relevant Goods to the Special Location. Customer shall also be responsible for checking and approving the labelling, health certificates and/or importation documentation so obtained by the Supplier in order to ensure that they satisfy the requirements of, and regulations within, the Special Location.

6.8. If an Incoterm applies, Collection or Delivery will take place in accordance with such term. The Contract shall set out the type of Vessel/Carrier to be used in connection with the Collection or Delivery of the Goods.

6.9. It shall be Customer's responsibility to ensure that, in the event that the Goods are being collected by the Customer, then at the point from where the collection of the Goods takes effect, the Collection vehicle is clean, sound, fit for purpose and is set to carry the Goods at the appropriate temperature. In the event that the Goods are being Delivered by the Supplier, then at the point of Delivery by Supplier it shall be the Customer's responsibility to supervise the unloading process and provide adequate staff, equipment, instructions and assistance to enable the Goods to be received by the Customer.

6.10. Where Goods are sold on a c.i.f. basis (Cost Insurance Freight) or c.i.p. (Carriage and Insurance Paid) basis Supplier shall provide the Customer with the following documents:

- a) original Invoice and two copies thereof;
- b) confirmation that insurance coverage is available;
- c) Bill(s) of Lading or Ship's delivery order or c.i.f./c.i.p. Delivery Order on Public Wharf/Warehouse (countersigned by "Wharfingers/Warehousemen if required);
- d) packing list; and
- e) health certificate.

6.11. Purchaser shall furnish complete shipping instructions and provide prepayment or adequate credit as determined by Supplier's credit department at the time of order and shipment/delivery to enable Supplier to perform its obligations. Supplier shall not be obligated to make shipment or delivery in absence thereof. Each delivery or partial delivery is a separate contract for the purposes of Purchaser furnishing complete shipping instructions and prepayment or adequate credit.

6.12. In the event product is delivered to Customer at an unacceptable temperature, Customer must provide Lamex with a picture of temperature reading taken upon delivery. If photo evidence of delivery temperature cannot be provided, a claim may not be honored.

7. RETENTION OF TITLE

7.1. Property in the Goods shall not pass to Customer until Customer has paid to Supplier any and all outstanding sums owed to the Supplier for the Goods. Whilst the Goods remain the property of Supplier, the Customer shall be in possession of the Goods as bailee for the Supplier and the Customer shall keep them separate and identifiable and not deal with them otherwise than in the ordinary course of business.

7.2. The Goods shall be at risk of Customer upon Collection or Delivery and Customer will keep the Goods properly insured against 'all-risks' with an insurer of good repute for not less than their full Price from Collection or Delivery.

7.3. If before title to the Goods passes to the Customer an Event of Default occurs in relation to the Customer, then, without limiting any other right or remedy the Supplier may have:

- a) the Customer's right to resell the Goods or use them in the ordinary course of its business ceases immediately; and
- b) the Supplier may at any time:

- i) require the Customer to deliver up all Goods in its possession which have not been resold, or irrevocably incorporated into another product; and
- ii) if the Customer fails to do so promptly, enter any premises of the Customer or of any third party where the Goods are stored in order to recover them.

7.4. In the event that the Customer sells or transfers the Goods to a third party before legal and beneficial title has passed to it under these Terms, the proceeds of the sub-sale or transfer (or such proportion as is due to the Supplier) shall be held by the Customer on behalf of the Supplier and shall be held separately from and not be mixed with any other funds, and all monies held on the Supplier's behalf shall be identified as such.

7.5. The Customer shall not pledge or in any way charge by way of security for any indebtedness any of the Goods which are the property of the Supplier. Without prejudice to the other rights of the Supplier, if the Customer does so all sums whatever owing by the Customer to the Supplier shall become immediately due and payable.

7.6. If payment of any amount under any invoice is overdue by more than 14 days from the Payment Date then Supplier shall have the right to commence proceedings against the Customer for the amount outstanding, notwithstanding that property in the Goods has not yet passed to Customer.

8. SUPPLIER'S WARRANTIES

8.1. Supplier hereby warrants that the Goods, which are perishable Goods, at the date of Collection or Delivery will comply in all material respects with the Specification or otherwise agreed in writing by the parties, will be of satisfactory quality and be fit for any purpose held out by the Supplier and that it has free and clear title to the product. Supplier further warrants that, as of the time and place of shipment/delivery hereafter made by the Supplier, the product shall not be adulterated or misbranded within the meaning of the U.S. Federal Meat Inspection Act, as amended and in force, the Poultry Products Inspection Act, as amended and in force, the US Federal Food, Drug and Cosmetic Act, as amended and in force and the Perishable Agricultural Commodities Act, as amended and in force, the Canadian Meat Inspection Act, the Canadian Food and Drug Act, the Canadian Food and Drug Regulation, the Safe Food for Canadians Act, Canada's Agricultural Products Act, the Canadian Food Inspection Act and all the Acts and Regulations that Canadian Food Inspection Agency enforces. (the "**Supplier Warranty**").

8.2. Except for the warranties expressly set forth in clause 8.1., Supplier disclaims all expressed and implied warranties including, without limitation, the implied warranties of merchantability, fitness for a particular purpose, and non-infringement of third-party intellectual property rights. The parties acknowledge that many of the products are subject to extensive and exclusive U.S. Federal Regulations and the Canadian Acts and Regulations and that such Regulations often preempts, and thus makes inapplicable, state and local laws.

9. PURCHASER'S WARRANTY AND IDEMNITY OBLIGATIONS

9.1. Purchaser warrants that its purchase, ownership, storage, handling, and subsequent resale or delivery of product shall be in compliance with all applicable U.S., Canadian and foreign laws and regulations. These include without limitation all U.S. laws, regulations, administrative acts, and executive orders relating to exports, including the Export Administration Act of 1979, 50 U.S.C. App. §§ 2401-2420; the Electronic Code of Federal Regulations – Title 15 Commerce and Foreign Trade – Subtitle B Regulations Relating to Commerce and Foreign Trade – Chapter VII Bureau of Industry and Security, Dept of Commerce – Subchapter C Export Administration Regulations – Part 744 Control Policy: End – User and End -Use based) and Title 19 Customs Duties – Chapter I U.S. Customs and Border Protection, Department of Homeland Security: Department of the Treasury – Part 134. Country of Origin Making – Subpart C. Making of Containers or Holders; the Arms Export Control Act, 22 U.S.C. § 2751 et seq.; the International Traffic in Arms Regulation, 22 C.F.R. § 120 et seq.; the Trading with the Enemy Act, 50 U.S.C. App. § 1 et seq.; the Perishable Agricultural Commodities Act; and the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-1707, all as amended and in force and the Canadian laws, regulations and administrative acts relating to exports, including Canadian Customs Act, Export Regulations, Reporting of Exporting Goods Regulations, Export and Import Permits Act, Export Act, Export Development Act, Safe Food for Canadians Act, Safe Food for Canadians Regulation, Canada Consumer Product Safety Act and all Regulations enforced by the Canadian Trade Commissioner Service as amended and in force.

9.2. Purchaser warrants that it is the final recipient of exported goods and has no intention of re-exporting goods to any further party. In any case, Purchaser warrants that the goods will not be further sold to any denied parties according to the US and Canadian legislation.

9.3. Purchaser warrants that he will be responsible to declare the country of origin if he intends to repack the goods after importation. In such case Seller shall notify Purchaser in writing, that any repacking of the products must conform to the requirements mentioned above and true country of origin must be shown on the labelling as per 19 CFR Part 134.26.

9.4. Purchaser agrees to indemnify, defend, and hold Seller harmless from and against any and all demands, claims, actions, investigations, liabilities, damages, costs, attorney's fees, expenses, penalties, fines, and losses of any kind arising out of or related to Buyer's alleged or actual breach of this warranty or Buyer's alleged or actual violation of any law.

10. LIMITATION ON DAMAGES

In no event shall Supplier be liable to Purchaser, or to any other person or Entity, for any indirect, consequential, incidental, special, punitive or exemplary damages whatsoever -including but not limited to, loss of business, lost profits, damage to goodwill or reputation, degradation in value of brands, trademarks, tradenames, services names or service marks, trade dresses-, whether arising out of breach of contract, warranty, tort -including without limitation, negligence, failure to warn or strict liability-, contribution, indemnity, subrogation, or otherwise. In no event shall Supplier be liable to Purchaser, or to Purchaser's

officers, employees, representatives or insurers, or to any third-party, for damages caused by the acts or omissions of Purchaser or Purchaser's officers, employees, representatives or any third part. Purchaser assumes all risks and liabilities for any loss, damage or injury to persons or property resulting from the use of subsequent sale of the product, either alone or in combination with other product.

11. EXCLUSIVE REMEDIES

Purchaser's exclusive remedy and Supplier's sole liability for any claim of any nature, indemnity contribution such as for breach of contract, product recall, for shipment of nonconforming product, including breach of warranty, is expressly limited, at Supplier's option, to: (i) replacement, within a reasonable period of time, of the nonconforming product at no additional charge to Purchaser; or (ii) refund of the purchase price. All nonconforming product must be returned to Supplier, at Supplier's expense, by Purchaser in the same state in which it was received, or, at Supplier's direction, disposed of by Purchaser in a manner mutually acceptable to Purchaser and Supplier with all reasonable costs of such disposition to be paid by Supplier. Purchaser expressly agrees that the remedies granted to it hereunder are Purchaser's sole and exclusive remedies with respect to any claim of Purchaser arising in connection with the product and the product recall. This provision specifically eliminates any and all other remedies otherwise available to Purchaser, including but not limited to, damages for lost profits, lost sales, injury to person or property or any other incidental or consequential loss of any kind.

12. FORCE MAJEURE

12.1. The Supplier, provided that it has complied with the provisions of clause 12.2, shall not be in breach of a Contract (the "**Affected Contract**") or these Terms, nor liable for any failure or delay in performance of any obligations under the Affected Contract or these Terms (and, subject to clause 12.3, the time for performance of the obligations shall be extended accordingly) arising from or attributable to a Force Majeure Event.

12.2. The Supplier shall not be in breach of the Affected Contract or these Terms provided that:

- a) it promptly notifies the Customer in writing of the nature and extent of the Force Majeure Event causing its failure or delay in performance; and
- b) it has used all reasonable endeavours to mitigate the effect of the Force Majeure Event, to carry out its obligations under the Affected Contract and these Terms in any way that is reasonably practicable and to resume the performance of its obligations as soon as reasonably possible.

12.3. If the Force Majeure Event prevails for a continuous period of more than 60 days, Supplier may terminate the Affected Contract by giving a written notice to Purchaser. Such termination shall be without prejudice to the rights of the parties in respect of any breach of the Affected Contract occurring prior to such termination.

13. CONFIDENTIALITY

13.1. Each party undertakes that it shall not disclose to any person any Confidential Information disclosed to it by the other party concerning the business or affairs of the other party or of any member of its Group, except as permitted by clause 13.2.

13.2 Each party may disclose the other party's Confidential Information:

a) to its employees, officers, agents, consultants or sub-contractors ("**Representatives**") who need to know such information for the purposes of carrying out the party's obligations under this Contract, provided that the disclosing party takes all reasonable steps to ensure that its Representatives comply with the confidentiality obligations contained in clause 13.1 as if they were a party to this Contract. The disclosing party shall be responsible for its Representatives' compliance with the confidentiality obligations set out in this clause; and

b) as may be required by law, court order or any governmental or regulatory authority.

13.3. Each party reserves all rights in its Confidential Information. No rights or obligations in respect of a party's Confidential Information other than those expressly stated in these Terms are granted to the other party or to be implied from these Terms.

14. INTELLECTUAL PROPERTY

14.1. Customer acknowledges that any Intellectual Property Rights in and to the Goods and other Intellectual Property Right used in relation to the Supplier's business and the goodwill connected with that are and shall remain the Supplier's or relevant third parties' property and shall enure for the benefit of the Supplier or those third parties.

14.2. The Goods are sold and/or supplied subject to the Intellectual Property Rights therein held by any third party and the Customer will accept such title to the Goods as Supplier is able to provide.

14.3. Customer undertakes to Supplier that it shall not, in connection with the supply of the Goods or goods materially similar thereto, in any way use the names or makes known as L&M Food, LAMEX, Lamex Agrifoods or Lamex Europe or any name which is a variation of those names or which incorporates the names L&M or Lamex except with the prior written consent of Supplier.

15. DEFAULT BY CUSTOMER/TERMINATION

15.1. Without prejudice to any other rights it may have, Supplier may, by written notice to Customer, terminate any Contract between Customer and Supplier forthwith and/or immediately recover from Customer all sums due from Customer under any Contract with Supplier (notwithstanding any period of credit which may have been allowed) together with any accrued interest and other legitimate charges and any loss caused to Supplier as a result of any termination if:

a) any payment due by Customer to Supplier is overdue by more than 10 Business Days in whole or in part;
or

b) Customer commits any breach of any of the Contract with Supplier provided that if the breach was remediable Supplier gave to Customer notice of such breach which was not remedied within 5 Business Days of the date of such notice; or

c) in respect of the Customer an interim order is applied for or made, or a voluntary arrangement approved, or a petition for a bankruptcy order is presented or a bankruptcy order is made, or a receiver or trustee in bankruptcy is appointed over the Customer's estate or a voluntary agreement or arrangement is approved or entered into, or an administration order is made, or a receiver or administrative receiver is appointed over any of the Customer's assets or an undertaking or a resolution or petition to wind up the Customer is passed or presented (other than for the purposes of solvent amalgamation or reconstruction) or if any circumstances arise which entitle the Court or a creditor to appoint a receiver, administrative receiver or administrator or to present a winding-up petition or make a winding-up order and such petition or application is not dismissed within thirty (30) days of being applied for or presented; or

d) Customer ceases or threatens to cease to carry on trading; or

e) there is in the reasonable opinion of the Supplier, any material change in the financial status of the Customer, including but not limited to, credit status; or

f) Customer fails to furnish shipping instructions; or

g) Customer refuses to accept any shipment properly tendered; or

15.2. Supplier may treat such default as: a) a total breach of the entire contract, or b) a breach only as to the individual shipment or installment, and, in addition to any other rights or remedies the Supplier may have at law or in equity, Supplier may cancel the contract, terminate the Contract as to the portion thereof in default or as to any unshipped balance, or both, and/or resell, after written notice to Purchaser, any of the product which have been shipped and which Purchaser has wrongfully failed or refused to accept, and receive from Purchaser the difference between the Contract price and the price obtained on resale if the latter be less than the former, as well as any incidental loss and expense including storage fees and finance charges. All rights and remedies of Supplier shall be cumulative and not exclusive of any other rights or remedies which Supplier would otherwise have at law or in equity.

15.3. Without limiting its other rights or remedies, the Supplier may suspend provision of the Goods under the Contract or any other Contract between the Customer and the Supplier if the Customer becomes subject to any of the events listed in clauses 15.1(a) to 15.1(e) or the Supplier reasonably believes that the Customer is about to become subject to any of them.

15.4. Termination of the Contract, however arising, shall not affect any of the parties' rights, remedies, obligations and liabilities that have accrued as at termination.

15.5. Notwithstanding the termination of this Contract for any reason, any sums for any reason due to Supplier hereunder at the date of termination shall remain due and payable to Supplier by Customer.

15.6. Clauses which expressly or by implication survive termination of the Contract shall continue in full force and effect.

16. NON-CONFORMITY

Purchaser agrees to notify Supplier in writing of all non-conformities of product within fourteen (14) days of the date of the receipt of product or be deemed to have accepted the product as is and shall forfeit all remedies it has.

17. GENERAL

17.1. No waiver by Supplier of any breach of Contract by Customer shall be considered as a waiver of any subsequent breach of the same or any other provision of any Contract. Waiver of any default must be in writing signed by both Parties and shall not constitute a waiver of any subsequent default.

17.2. Variations or representations will only be binding on Supplier confirmed in writing by an authorised representative of Supplier.

17.3. If any provision of these Terms and Conditions (or part of a provision) is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force.

17.4. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

17.5. Customer shall not assign or transfer any Contract to which these Terms and Conditions apply nor the benefit thereof to any person whatsoever without the prior written agreement of the Supplier. The Supplier may at any time assign, transfer, mortgage, charge, subcontract or deal in any other manner with all or any of its rights or obligations under any Contract and/or these Terms.

17.6. These Terms and Conditions and the Contracts entered into between the parties constitute the whole Contract between the parties and supersede any previous arrangement, understanding or agreement between them relating to the subject matter of these Terms and the relevant Contracts.

17.7. Except where otherwise expressly provided in writing, a person who is not a party to these Terms and Conditions shall not have any rights under or in connection with it.

17.8. Each party shall (at its own expense) promptly execute and deliver all such documents and do all such things or procure the execution and delivery of all documents and doing of all such things as are required to give full effect to a Contract and the transactions contemplated by it.

17.9. Nothing in these Terms and Conditions or any Contract is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, nor authorise any party to make or enter into any commitments for or on behalf of any other party.

17.10. No party shall make, or permit any person to make, any public announcement concerning these Terms and Conditions or any Contract without the prior written consent of the other, except as required by law.

17.11. Any notice or other communication given to a party under or in connection with the Contract or these Terms and Conditions shall be in writing, addressed to that party at its registered office (if it is a company) or its principal place of business (in any other case) or such other address as that party may have specified to the other party in writing in accordance with this clause, and shall be delivered personally, sent by pre-paid first-class post, recorded delivery, commercial courier, fax or e-mail.

17.12. A notice or other communication shall be deemed to have been received:

- a) if delivered personally, at the date when left at the address referred to in clause 17.11;
- b) if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second Business Day after posting;
- c) if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed;
- d) or, if sent by fax or e-mail, one Business Day after transmission.

17.13. The provisions of clauses 17.11 and 17.12 shall not apply to the service of any proceedings or other documents in any legal action.

17.14. The parties to these Terms and Conditions contract as independent contractors and nothing in their Contract shall be construed as a relationship of employment, agency, partnership or joint venture.

17.15. Each party agrees to treat as secret and confidential all and any information disclosed by the other party which is: (a) identified by the disclosing party as confidential or (b) by its nature evidently intended by the disclosing party to be treated as confidential. A party will not be in breach of this clause, however, in relation to information already in its possession or within the public domain (other than as a result of a breach of this clause), or where disclosure is required by law.

17.16. The rights and remedies provided to Lamex herein shall be cumulative and in addition to any other rights and remedies provided at law or in equity.

17.17. The construction, validity and performance of the Contract shall be governed in all respects by the laws of State of Minnesota.

17.18. The courts of State of Minnesota, Country of Hennepin, shall have the exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Contract. The parties agree to submit to the jurisdiction of the Courts of the State of Minnesota, Country of Hennepin.

Whenever the Supplier chooses to submit a claim against a Customer to a court in People's Republic of China (PRC), the Parties agree to submit to the jurisdiction of the court of Pudong, district of Shanghai.

Nothing in this clause shall limit the right of the Supplier to take proceedings against the Customer in other court of competent jurisdiction such as place of fulfilment of the delivery obligation, or Customer's general place of jurisdiction, nor shall the proceedings taken by the Supplier in any one or more jurisdictions preclude the proceedings taken by it in any other jurisdictions, whether concurrently or not, to the extent permitted by law of such other jurisdiction.

17.19. Purchaser agrees to reimburse Supplier for all costs, expenses, including attorney's fees, arising from Purchaser's breach of Contract or otherwise incurred in collecting any funds owned to Supplier or enforcing the rights of Supplier under the Contract and/or applicable law.

17.20. The Contract, including these terms and conditions, shall be binding upon and inure to the benefit of Purchaser and Supplier and their respective heirs, administrators, executors, successors, and assigns.

17.21. Supplier shall not be liable to Purchaser for any loss suffered by Purchaser as a result of any cybercrime, hacking, corruption, security breach, data breach, or fraudulent correspondence purportedly sent by Supplier to Purchaser. In all cases in which Purchaser receives a change in payment instructions of any kind from Supplier or any person or entity purporting to be Supplier or acting on behalf of Supplier, the Purchaser shall confirm the change in payment instructions:

(1) by telephone with Supplier and (2) in writing with Supplier using Supplier's email address, accountsreceivable@lamexfoods.us. Purchaser shall at all times remain liable in full for all sums due and owing to Supplier.

17.22. The Company reserves the right to amend these Terms from time to time by posting updated versions on its website <http://www.lamexfoods.eu/>

Dated 24th February 2022