

**General Terms and Conditions of Purchase
PAULA (GTCP PAULA)**

General Provisions. Definitions. 1. The purpose of GTCP PAULA is to specify terms and conditions of cooperation between Business Partner and PAULA (hereinafter referred to as Parties). Provisions hereof constitute an integral part of the Contract and shall apply unless the Contract stipulates otherwise. GTCP PAULA shall be applied to purchases and deliveries fulfilled by Business Partner on PAULA's order. GTCP PAULA are available at PAULA's website: www.gtcp.PAULAingredients.com Contradictory or different terms and conditions of sale and deliveries of Business Partner shall not apply to the Contract.

2. **PAULA** – PAULA Ingredients Spółka z ograniczoną odpowiedzialnością Spółka komandytowa with its registered seat in Kalisz. Also defined as Purchaser or Contracting Party.

3. **Business Partner** – a legal or natural person conducting business activities, undertaking cooperation with PAULA on terms and conditions specified herein. An agricultural producer, a group of agricultural producers or their union. Also defined as Producer.

4. **Products or Goods** – a subject matter of the Contract.

5. **Contract** – a contract made between Business Partner and PAULA with regard to purchase and delivery and cultivation contracts related to Products included in Business Partner's offer or an order in this respect placed by PAULA and accepted by Business Partner. Signing of the Contract or confirming the acceptance of PAULA's order shall be deemed as the confirmation of GTCP PAULA's acceptance.

Orders. 1. Purchase of Products shall be made based on orders sent by email by a person indicated by PAULA in the Contract to Business Partner's email address specified therein. Orders shall be submitted on working days. Working days shall be understood as days from Monday to Friday excluding Saturdays and statutory holidays in Poland.

2. Unless specified otherwise in the Contract, Business Partner within 2 working days after receiving an order shall confirm by email sent to PAULA's email address indicated in the Contract or in an order an acceptance of this order, shall confirm or specify its value and a fulfillment term or alternately a lack of possibility to fulfill this order.

3. In case there is no confirmation of an order's acceptance, it means that said order has not been accepted for fulfillment.

4. These GTCP do not constitute an obligation to purchase Products by PAULA.

Packages. 1. Unless not specified otherwise in the Contract, Product should be placed in a package ensuring its entity and integrity, in particular the packaging method shall comply with Product's properties.

2. If goods are delivered to PAULA on pallets, only EUR EPAL pallets shall be returned or replaced. The return of pallets takes place at delivery or at another set date based on a balance confirmed by Parties. Any other pallet types shall be treated as disposable, non-replaceable pallets.

Delivery. Logistic services. 1. A place of the supply of services shall be a delivery place specified in the Contract or in an order. Otherwise a place of delivery shall be PAULA's warehouse in Kalisz, at Łódzka 145a, Poland, on DAP terms (Delivered at Place - INCOTERMS 2010).

2. A risk of Product's damage or loss is passed to PAULA at the moment of Products' unloading at a place of the supply of services.

3. Each delivery should be accompanied by a complete set of delivery documents. Such documents should obligatorily contain an order number, an order date, Product's quantity, a batch number, quality documents indicated in the Contract. PAULA may refuse to accept Products if due to incomplete delivery documents it is impossible or excessively difficult to match a delivery with an order.

4. Business Partner undertakes to meet delivery deadlines agreed by Parties. The delivery deadline is met when the goods

are delivered to a place of the supply of services. If Business Partner decides that for some reasons the agreed delivery date cannot be met, Business Partner is obligated to inform PAULA immediately about this fact and its reasons and agree upon a new delivery deadline with PAULA. An acceptance of delivery without any reservations does not mean the resignation from claims to which PAULA is entitled due to delayed delivery.

5. If Business Partner does not meet a delivery deadline either in part or in whole, PAULA may refuse to accept delivery without an obligation to pay its price or may purchase, at the cost and risk of Business Partner, the same quantity of goods with similar properties and quality as goods not delivered on time (substitute purchase) from other suppliers. In such a case Business Partner is obligated to reimburse PAULA all costs related to a substitute purchase. PAULA shall notify Business Partner about exercising the right to a substitute purchase 2 working days before making such a purchase.

6. Partial deliveries shall be made only after prior written agreement. Otherwise PAULA may refuse to accept such a delivery. An acceptance of such a delivery does not mean the resignation from claims to which PAULA is entitled due to delayed delivery.

7. Best before date of Products delivered to PAULA shall not be shorter than 2/3 of best before date counting from the order fulfillment day. Business Partner ensures that Products will meet standards valid in Poland for this type of products and will comply with legal regulations binding in the European Union.

Quality. Audit. 1. Business Partner is liable for the quality of Products delivered to PAULA in accordance with specifications indicated in the Contract or in an order.

2. Quality, safety characteristics, marks, labels, excise duty marks and packages of delivered goods shall be compliant with valid standards, Polish and EU regulations and other specific provisions of the Contract (including specifications). Business Partner represents that all delivered Products have required certificates issued by competent authorities and may be legally marketed in the Polish market.

3. On PAULA's request, Business Partner is obligated to fill in and deliver to PAULA additional information related to a managed agricultural farm.

4. Business Partner warrants that during the entire period of a statutory warranty resulting from the legal provisions its Products will be free from physical and legal defects, and in particular they will have all agreed properties.

5. Business Partner will enable, on each PAULA's request, to audit a quality management system in its enterprise and will make accessible documentation, production and warehouse premises to auditors indicated by PAULA, in its headquarters, as well as will provide information necessary to perform an audit

6. Business Partner is obligated to allow PAULA's representative to inspect and supervise cultivations and conditions of product storage.

Claims. 1. Business Partner is liable for non-compliance of goods with the Contract, even if it is disclosed after the release of goods.

2. Principles of Business Partner's liability for Product's physical and legal defects and PAULA's rights are defined in the Contract.

3. Unless specified otherwise in the Contract, an inspection of delivered Products shall take place within 10 working days counting from a date of Products' release. In case of defects disclosed later, a claim is deemed as lodged on time providing that it is lodged within 10 working days after a day when a defect was disclosed.

4. Business Partner should examine a claim within 10 days after its receipt and provide PAULA with its decision in writing with justification within the term indicated above. If Business Partner finds a claim just, Business Partner shall replace the goods with defect-free goods within 5 working days after a day when its decision was presented to PAULA or in a different term agreed by Parties, and in case such a replacement is not possible, Business Partner shall correct a sale invoice respectively.

5. In case when a delivered Product is defective, Business Partner, on PAULA's request, shall collect it from the place and in the time indicated by PAULA, at its own cost and risk. Should this be the case, PAULA is not obligated to pay for a defective Product and in case of prior payment Business Partner shall reimburse PAULA for it, on PAULA's first request. If Business Partner does not collect a Product in the term specified by PAULA, PAULA has the right to utilize such Products at Business Partner's cost and risk. Business Partner shall reimburse these costs without a right to question their amount, on PAULA's first request.

Price-list. 1. Product prices or criteria of price specification are defined in the Contract. Business Partner undertakes to sell Products in prices valid at the time of order placement. If there are no different written agreements, a price shall include delivery costs to PAULA's warehouse indicated in the Contract or in an order and packaging costs.

2. Business Partner is obligated to inform PAULA in writing about its intention to change prices at least 30 days before the intended change date. An intention to change prices requires PAULA's acceptance, as well as relevant amendments of the Contract's provisions. In case the intended price change is not accepted, Parties have the right to terminate the Contract on terms and conditions stipulated therein or in GTCP.

Payment terms. 1. A payment term is 30 calendar days counting from the date when an invoice was delivered to PAULA.

2. The payment date of incorrectly issued invoices is calculated from the time when correctly issued invoices or adjustment notes were delivered.

3. Invoice delivery shall take place by posting an original invoice in a written form to PAULA (ul. Łódzka 145a, 62 – 800 Kalisz, Poland) or as a PDF file via electronic mail to PAULA's address indicated in the Contract.

4. The payment date is the date when money is debited from PAULA's bank account.

Contract period and termination. 1. Unless not specified otherwise in the Contract, the Contract is signed for an indefinite period.

2. Each Party may terminate the Contract upon 3-month termination notice, effective at the end of a month.

3. PAULA is entitled to terminate every contract without notice for cause. A cause is each violation of any contractual obligation by Business Partner, which was not remedied within the term specified by PAULA, including but not limited to a delay in order fulfillment, violation of other delivery conditions, including non-compliance of the Contract's subject matter with specification, occurrence of physical or legal defects of the Contract's subject matter, improper fulfillment by Business Partner of its obligations under a statutory warranty or a guarantee.

4. If PAULA terminates a contract for cause, Business Partner has no right to claim any damages from PAULA in this respect.

Contractual penalties. 1. In case of a failure to deliver goods included in an order or in case of delayed deliveries, either in whole or in part, Business Partner shall be obligated to pay on PAULA's request a contractual penalty in the amount of 30% of the gross value of a given order.

2. In case of qualitative defects of a total or a part of the delivery, Business Partner shall be obligated to pay on PAULA's request a contractual penalty in the amount of 30% of the gross value of a given order.

3. In case if PAULA's damage due to non-performance or partial performance of the Contract's terms and conditions turns out to be higher than the amount of stipulated contractual penalties, in this respect PAULA has the right to claim for damages on general terms.

Confidential Information. 1. „Confidential Information” refers to the Contract (including its amendments), any information related to PAULA and Business Partner, in particular technical and technological, trade, marketing, organizational and financial

information, as well as other communications, information and data disclosed, used or obtained in relation with cooperation and referring to business activities conducted by PAULA and Business Partner, which as a whole or as a special combination and set of their elements are not commonly known to people dealing usually with such information or are not easily accessible to such persons.

2. At the period of the Contract and after its expiration, neither Party can disclose any Confidential Information to any person other than its professional advisors or such employees and associates for whom such information is necessary in order to fulfill their obligations for the purpose of the Contract and who were informed by a given Party about a confidential character of such information. Both Parties represent that each person authorized to obtain Confidential Information will be aware of these provisions and will comply with them in the same way as if this person would contract these obligations on its own. Parties shall protect with the utmost care Confidential Information obtained from the other Party.

Force majeure. Parties to the Contract shall not be liable for the effects of force majeure, including but not limited to flood, fire, earthquake, other natural disasters, military actions, acts issued by governments, parliaments or country presidents, as well as any other events which are beyond Parties' control but impede either in part or in whole the fulfillment of contractual obligations and which cannot be avoided despite the utmost care of Parties. A Party, for which such circumstances created impediment, shall be obligated to inform immediately in writing the other Party when such circumstances start or cease to exist. In such a case, considering factual circumstances, Parties shall agree as to further cooperation.

Assignment of receivables. Without PAULA's prior written consent Business Partner cannot assign to a third party its receivables under the Contract, either in whole or in part.

Final provisions. 1. Parties undertake to solve any disputes resulting from their mutual cooperation first of all by agreement. Parties decide that disputes shall be settled by a competent common court in Poznań and governed by the Polish law.

2. Justified interest of Parties shall constitute a base of personal data processing for the purpose of the Contract. PAULA is a Controller of the Personal Data. Business Partner has become familiar with information about personal data protection and their processing principles available at PAULA's website: www.paulaingredients.com/personal-data

Business Partner shall forward this information and the above mentioned website address to natural persons cooperating with Business Partner for the purpose of the Contract.

3. In case if some provisions hereof become legally ineffective due to different legal regulations, other provisions shall remain in force.

4. In case if provisions hereof are contrary to the provisions of the Contract, the latter shall prevail, however it does not exclude the application of other GTCP PAULA provisions.

5. Any amendments of the Contract or GTCP PAULA shall be made in writing or otherwise shall be null and void.

Ethics. 1. PAULA is convinced of a necessity to comply with binding legal regulations and provisions in its business activities, in accordance with good ethical standards set by PAULA. Therefore PAULA requires from itself and from its Business Partners:

- a. care for the highest work standards,
- b. no tolerance for corruption,
- c. acting in accordance with fair competition principles,
- d. care for employee relations,
- e. business partnership,
- f. respect for natural environment,
- g. commitment to pro bono activities.

2. Business Partner undertakes to adhere to good ethical standards, including but not limited to standards mentioned in p. 1. hereinabove.

Kalisz, 15th April, 2019