

**PURCHASE ORDER TERMS AND CONDITIONS**

1. **GENERAL.** The seller (“**Seller**”) named on the face of the purchase order (including all exhibits or attachments thereto, the “**Order**”) shall supply the goods (“**Products**”) specified in the Order to Flavor Producers, LLC (“**Buyer**”) in accordance with the Order and these terms and conditions (these “**Terms**” and together with the Order, collectively, the “**Agreement**”). Seller’s commencement of performance (including selling, shipment or acknowledgement of this Agreement) in all cases constitutes Seller’s unqualified and unconditional acceptance of the terms of this Agreement. Buyer shall not be bound by, and specifically objects to, any term, condition or provision which is different from or in addition to the provisions set forth in this Agreement and which has been proposed by Seller in any invoice, shipping document, acceptance, confirmation or otherwise. Any such additional or different terms proposed by Seller shall be void and the terms set forth in this Agreement shall be the complete and entire agreement of the parties. This Agreement cannot be amended except by a written agreement signed by both parties. These Terms shall be considered an exhibit to each and every Order between Buyer and Seller unless the parties are subject to a signed, written agreement, in which case the terms of such agreement shall prevail and supersede to the extent they conflict with these Terms.

2. **DELIVERY; QUANTITY.** Seller shall deliver the Products in the quantities and on the date(s) specified in the Order. Time is of the essence, and if delivery of the Products is not completed by the specified delivery date, Buyer may, at its option, without liability and in addition to any other rights and remedies available hereunder, reject such Products, immediately terminate this Agreement, and/or to purchase substitute products elsewhere and charge Seller with any loss incurred. Seller shall indemnify Buyer against any losses, claims, damages, and reasonable costs and expenses attributable to Seller’s failure to deliver the Products by the specified delivery date. Unless expressly set forth otherwise on the face of the Order, Seller will deliver the Products DDP (Incoterms 2010) Buyer’s facility. Supplier shall supply a certificate of analysis (“**COA**”) for each lot of Products (where applicable) prior to shipment of the Products. The Order number must appear on the COA and all other shipping documents, shipping labels, bills of lading, invoices, correspondence, and any other documents pertaining to the Order. If the quantity of Products delivered to Buyer is, in Buyer’s reasonable discretion, less than the quantity of Products required to be delivered under the Order (such difference, a “**Quantity Deficiency**”), then Buyer will be entitled, at its option, to withhold payment until the entire Order is delivered, or to obtain a credit for the amounts paid for such Quantity Deficiency, and Seller shall be responsible for any other expenses or damages incurred by Buyer in connection with such Quantity Deficiency.

3. **PRICING AND PAYMENT TERMS.** Seller shall supply the Products to Buyer at the prices specified in the Order, without additional charges of any type (e.g., shipping, packaging, labeling, custom duties, or taxes). All payments will be made in U.S. dollars. All invoices for purchases of Products hereunder shall be payable by Buyer within ninety (90) days from the receipt by Buyer of an accurate and complete invoice from Seller, unless a shorter period is agreed to by Buyer in the Order in exchange for a discount or other consideration. If an invoice is received by Buyer before delivery of the Products, the time period for payment of the invoice will not commence until the date the Products are actually delivered to Buyer. Buyer has the right to set-off any sums due to Seller under this Order against any sums due from Seller to Buyer under this or any other Order.

4. **CHANGES.** Buyer shall have the right at any time to direct changes, in writing, to the drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation set forth in the Order. In such case, the Buyer shall only be liable for direct costs reasonably and actually incurred by Seller, if any, resulting from such change.

5. **ACCEPTANCE; INSPECTION.** Unless otherwise specified in the Order, the Products must not have a shelf life which is less than fifty (50%) percent of the shelf life of the Product determined by the specification shelf life and manufactured date on the COA. Payment for the Product delivered hereunder shall not constitute acceptance thereof. Buyer shall have the right, but not the obligation, to inspect such Products and to reject any which are in Buyer’s judgment defective or nonconforming. Products rejected and Products supplied in excess of quantities called for herein may be returned to Seller at Seller’s expense, for a refund or credit to Buyer and, in addition to Buyer’s other rights and remedies hereunder, Buyer may charge Seller all expenses of unpacking, examining, repacking and reshipping such Products. In the event Buyer receives

Products whose defects or nonconformity are not apparent on examination, Buyer reserves the right to return or require replacement of such nonconforming Products, as well as payment of damages. Nothing contained in this Order shall relieve the Seller from the obligation of testing, inspection and quality control. Upon reasonable prior notice, Buyer or its representatives shall have the right to access Seller’s facility where the Products are manufactured to inspect and ascertain whether Seller is complying with the provisions of this Agreement.

6. **TITLE.** Title, possession and risk of loss of all Products sold under this Agreement shall pass to Buyer upon delivery of the Products to Buyer.

7. **WARRANTY.** Seller warrants that the Products furnished under this Agreement will (a) conform with the applicable COA delivered to Buyer with respect to the Products and with Buyer’s manufacturing standards, specifications, drawings, samples or descriptions, including but not limited to all specifications attached as exhibits to the Order; (b) be merchantable, of good quality and workmanship, free from defects for fifty (50%) percent of the shelf life of the Product as determined by the specification shelf life and manufactured date on the COA or longer if specified in writing, and fit and sufficient for the intended use, and all food products and ingredients shall be fit and sufficient for human consumption; (c) comply with all applicable federal and state laws, regulations and ordinances, including those pertaining to the production, manufacturing, packaging, labeling, sale and delivery of the Products, including, but not limited to the Food Additive Regulations of the Food and Drug Administration and the Federal Food, Drug and Cosmetics Act; (d) will not be adulterated, mislabeled or misbranded within the meaning of the Federal Food, Drug and Cosmetics Act; (e) be free and clear of all liens and encumbrances; and (f) not infringe on any patent, copyright or other intellectual property rights of any third party. Seller further warrants that it (i) will maintain all required licenses, certifications and permits required in connection with the sale, manufacturing and delivery of the Products, and (ii) is a validly formed entity and has the authority to enter into and perform its obligations under this Agreement. These warranties shall be in addition to all other warranties, express, implied or statutory, shall survive Buyer’s payment, acceptance, inspection or failure to inspect the Products, and shall run to Buyer and its customers.

8. **PRICE WARRANTY.** Seller warrants that the net prices for Products sold to Buyer hereunder are not and will not be less favorable than the net prices Seller extends to any other customer for Products or products that are substantially the same in similar quantities and on similar terms. In determining net prices extended to other customers, discounts, rebates, allowances, premiums, favorable payment terms and other benefits to the customers shall be taken into account. Buyer’s remedies for Seller’s failure to conform to this provision and/or Seller’s failure to reduce Buyer’s prices when required shall include, without limitation, the rights to return the Products to Seller at Seller’s expense, to purchase the Products or products that are substantially the same from another supplier thereof and reduce any quantities specified in this Agreement, and to reduce payment to or obtain a credit from Seller to the extent its prices to Buyer are not as favorable than the net prices extended by Seller to any other customer. Buyer’s representatives shall have the right to audit the relevant records of Seller at times and with advance notice that are reasonable to determine whether the requirements have been satisfied.

9. **TERMINATION FOR CONVENIENCE.** Buyer reserves the right to terminate this Agreement or any part hereof at any time for its sole convenience upon written notice to Seller. In such event, Seller shall, and shall cause any of its suppliers or subcontractors to immediately cease work pursuant to this Agreement. In the event of termination for convenience, Seller’s sole and exclusive remedy is payment for the Products received and accepted by Buyer prior to the termination.

10. **TERMINATION FOR CAUSE.** Buyer may terminate all or any part of this Agreement for cause and without penalty if Seller fails to comply with any of the terms and conditions of this Agreement, or if Seller ceases to conduct its operations in the normal course of business (including as a result of its inability to meet its obligations as they mature), or if any proceedings under the bankruptcy or insolvency law are brought by or against Seller, or a receiver for Seller is appointed or applied for or an assignment for the benefit of creditors is made by Seller. In the event of termination for cause, Buyer shall not be liable to Seller for any amount, and Seller shall be liable to Buyer for any and all damages sustained by Buyer by reason of such default giving rise to the termination.

**11. CONFIDENTIALITY.** Seller shall treat all information furnished by Buyer as confidential and shall not disclose any such information to any other person or entity, or use such information itself for any purpose other than performing this Agreement. This paragraph shall apply to drawings, specifications, or other documents prepared by Seller for Buyer in connection with this Order as well as information that may be provided orally by Buyer or observed by Seller at Buyer's facility. At Buyer's request and discretion, Seller will promptly destroy (and certify to such destruction) or return all confidential information (including any reproductions thereof). Seller shall not advertise or publish the fact that Buyer has contracted to purchase Products from Seller, nor shall any information relating to this Agreement be disclosed without Buyer's written consent. In the event of a conflict between this provision and a separate signed, written confidentiality agreement between the parties, the most restrictive provision shall control.

**12. INDEMNIFICATION.** Seller agrees to protect, defend, indemnify and hold harmless Buyer, its affiliates, and their respective directors, officers, shareholders, managers, members, partners, employees, agents and representatives from and against all claims, actions, demands, liabilities, losses, costs and expenses, including, without limitation, reasonable attorney's fees and expenses, arising out of: (a) any breach or violation by Seller of any of its representations, warranties, covenants or agreements set forth in this Agreement; (b) any act or omission of Seller or its directors, officers, shareholders, employees, contractors, agents or representatives, including, without limitation, negligence, gross negligence, willful misconduct, fraud or intentional misconduct in connection with this Agreement; (c) any claim for personal injury, death or property damages caused by the Products; or (d) any claim resulting from any actual or alleged trademark, trade dress, patent or copyright infringement or trade secret misappropriation related to the Products sold hereunder. Buyer shall have the right to direct the conduct of any such defense.

**13. INSURANCE.** Seller shall carry and maintain, at its sole expense, and require its subcontractors to carry and maintain, the following insurance: Comprehensive General Liability including product liability, blanket contractual liability and a waiver of subrogation endorsements whose limits shall not be less than (a) bodily injury \$1,000,000 each person and \$3,000,000 each occurrence and (b) property damage \$1,000,000 each occurrence; Auto Liability with limits not less than \$1,000,000 each occurrence; Workers Compensation, if applicable, and Employer's Liability with limits not less than \$1,000,000, but not less than statutory limits; and product recall insurance with limits of not less than \$1,000,000 per occurrence. All policies must be from insurance companies reasonably acceptable to Buyer. Buyer, its parent and affiliated and subsidiary companies shall be named as an additional insured. Additionally, a waiver of subrogation in favor of the Buyer will be provided and noted on the certificate of insurance. Seller shall furnish certificates of all insurance upon request by Buyer. Seller shall provide Buyer with thirty (30) days' prior notice of cancellation of any insurance required hereunder.

**14. PRODUCT SAFETY; RECALLS.** Seller shall maintain a quality assurance program relating to the manufacture of the Products which is consistent with industry standards and which ensures the full traceability of materials used in the manufacture of the Products. Seller shall notify Buyer in writing immediately (a) if Seller becomes aware of any information relating to the manufacture, testing, packaging, marking, labeling, storage, handling and/or delivery of the Products that may affect the safety or use of the Products; (b) of any notification or report related to the safety or non-compliance of any Product that Seller submits or receives from the FDA or any other governmental authority; and (c) of any anticipated recall, market withdrawal or recovery ("Recall") of any Products. In the event of a Recall is deemed necessary by Buyer, Seller, or any governmental authority, each party agrees that it shall promptly notify the other, assist the other in executing a Recall strategy for all Products subject to Recall, work with each other and applicable governmental agencies in monitoring the Recall operation, and cooperate in preparing such reports as may be required. No press releases respecting the Recall shall be made by Seller without Buyer's prior written approval, provided that said approval shall not be unreasonably withheld or delayed. Seller shall be responsible for and shall pay Buyer's reasonable direct and actual out-of-pocket expenses relating to the Recall, including but not limited to, freight, returns, disposal, inspection, testing and reasonable attorney's fees.

**15. ASSIGNMENTS AND SUBCONTRACTING.** No part of this Agreement may be assigned or subcontracted by Seller without prior written

approval of Buyer. However, any such approval from Buyer shall not relieve Seller of liability for any acts or omissions of its subcontractor(s).

**16. GOVERNING LAW; VENUE.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware, excluding its conflicts laws and the U.N. Convention on the International Sale of Goods, without the presumption or construction against the party preparing it. The parties irrevocably submit to the exclusive jurisdiction of the federal and state courts of Delaware on any matters whatsoever arising out of or related to this Agreement and irrevocably waive any objection to venue or inconvenient forum.

**17. WAIVER.** The failure of either party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights, shall not operate as a continuing waiver of such provisions or rights and shall not prevent such party from insisting upon such provisions and taking advantage of such rights in the future.

**18. FORCE MAJEURE.** Neither party shall be liable for any delay or failure of performance due solely to causes beyond its control, including, without limitation, any act of God, natural disasters, wars, acts of terrorism or sabotage, but expressly not strikes, walkouts, labor strife, Seller's financial inability to perform, market conditions, supplier actions or contract disputes. The affected party must promptly use commercially reasonable efforts to remedy the situation. Promptly after the affected party determines that a force majeure exists, it will notify the unaffected party. If Seller is affected by a force majeure, Seller will allocate its available production amongst its customers in a fair and equitable manner, but Buyer will be allocated no less than the percentage of available production equal to proportion of Products purchased by Buyer overall to the total Products sold by Seller in the 12 months immediately prior to the force majeure. Buyer will not be required to accept any Products which are delayed by force majeure and may, at its option, cancel such the orders for such quantities. If a force majeure is continuing for a period of 30 consecutive days, then the unaffected party will have the right to terminate this Agreement without liability or penalty.

**19. EXPORTS AND IMPORTS.** Seller shall comply with all export and import laws of all countries involved in the sale of the Products under the Agreement or any resale of the Products by Seller. Seller assumes all responsibility for shipments of Products requiring any government import clearance. Buyer may terminate the Agreement if any governmental authority imposes antidumping or countervailing duties or any other penalties on Products. Seller agrees that it has and shall continue to comply with the United States Foreign Corrupt Practices Act.

**20. NOTICES.** All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of this Order or to such other address that may be designated by the receiving party in writing and delivered in accordance with this Section. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees prepaid), e-mail or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a Notice is effective only (a) upon receipt by the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

**21. MISCELLANEOUS.** Each party is and shall remain an independent contractor and Buyer and Seller will not be considered joint venturers, partners, agents or employees of the other. The rights and remedies described in this Agreement are not exclusive; they are cumulative or (to the extent applicable) alternative and are in addition to other rights or remedies available at law or in equity or otherwise. If any provision of this Agreement is found invalid or unenforceable, that provision shall be severed and all other provisions shall remain in full force and effect. Buyer will be entitled to recover from Seller its costs and reasonable attorney's fees in connection with successfully asserting its rights under this Agreement, including its rights to receive indemnification from Seller. The parties recognize and agree that neither shall be obligated by their course of conduct to perform any future transactions hereunder. No course of dealing, course of performance, or usage of trade shall be considered in the interpretation or enforcement of this Agreement.