

For the attention of: From:

Fernanda Figueroa

Opus Farms El Chirimoyo SN Tamandaro, Michoacan CP 59823

Phone Phone 804 447 9038

Patrick Innes

Proseal America Inc.

7611 Whitepine Road

Richmond, VA 23237

28 July 2020

Sales Contract for Proseal Equipment

Dear Fernanda,

Thank you very much for your enquiry for Proseal machinery and tooling - please see the attached information you have requested for a **GTTs** machine and toolset with a Videojet printer for date coding.

All monetary values are shown in US Dollars.

Page-2 Sales Contract Summary

Page-3 GTT's Tray Sealing Machine

Page-4 GTTs Tray Sealing Tool

Page-5 VideoJet Thermal Data Printer

Page-6 Prostarter Spares Kit
Page-7 Lease Purchase Option

Page-8 Equipment Requirements
Page-9 Key Performance Indicators

Page-10 Summary of Terms

Page-11-16 Terms and Conditions

Page-17 Acceptance
Page-18 Exhibit A

Please confirm that this is acceptable and in line with your expectations. If you have questions, please do not hesitate in contacting me directly.

We look forward to receiving your valued instructions in due course, and with receipt of your Purchase Order as required herein attached to this sales contract, these documents shall constitute the Purchase Agreement between the parties.

Kind Regards,

Patrick Innes

Sales Contract Summary

Machines

GTTIs Machine Purchase Price \$140,336.45

Tooling

1 Impression Toolset Purchase Price \$ 9,455.30

Auxiliary Equipment

VideoJet Purchase Price \$ 14,500.00

ProStarter Spares Kit

Machinery Purchase Price \$ 3,200.00 Tooling Purchase Price \$ 1,160.00

Total \$168,651.75

GT7 Lease Purchase Option

Term: 12 Months 30% Deposit \$50,595.53 Monthly Payment \$10,012.07





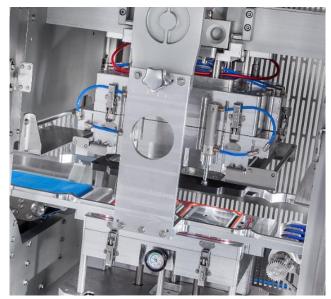
GT7s - MR-PPN-T4-AT-MB-PC-EYE-PT-eWON+-PV-TB-3Ø208V9

Automatic, large-capacity, high speed, in-line tray sealing system designed to cut labour costs.

It combines high throughput with rapid tool-changing and space-saving compact design. Optional 'free-flow' gas flush Modified Atmosphere Packaging (MAP) available for extended shelf life. The **CTTS** system is packed with user-friendly benefits including our unique Promotion modular conveyor system. Designed to accept randomly spaced trays from any conveyor and can be fully integrated with other line equipment.

<u>List Price</u> \$165,101.71 **KPP Purchase Price** \$140,336.45

QSP-M-07575 (700mm Stroke Machine) MR (Max Ready) PPN (ProPosition) T4 (4th gen ESEAL, Servo Driven Seal System) AT (Auto Tool) MB (Manual Base) PC (Registered Film with Coding) EYE (Film Usage Tension Control) eWON+ (eWON Flexy Modem, Remote Diagnostic Capability) PV (ProVision) TB (Transformer Bracket) 3Ø208V9 (Electrical Mains Requirement)





GT7 1 Impression Toolset

Heat sealing and perimeter film trimming tool, designed to the following specification: -

Proseal Tool Reference T2583

Number of Impressions 1

QSP-T Number 07755

Tray Supplier and Ref. Orora Packaging Solutions-7506 (3lb TOV)

Tray Orientation SEL

Tray Size 370mm x 199.5mm x 79mm Film Width 250mm min – 290mm max

Film Supplier and Ref. Please Confirm

Product(s) Type Tomato
Peel Tab Yes
Packs Per Minute (Seal Only) 18 – 20

<u>List Price</u> \$11,819.12

KPP Purchase Price \$ 9,455.30

Speeds are subject to confirmation of trials including product and materials, individual product weight and based on a consistent feed of product in the condition specified.

<u>VideoJet DataFlex 6530 Thermal Transfer Overprinter</u>

The Videojet DataFlex 6530 offers the latest in TTO technology for flexible packaging applications, providing automatic code defect detection and multiple ways to help improve uptime and productivity





- Prints high resolution text, bar codes and graphics
- Hot and cold fill conditions
- Moderate to ultra-high speeds to match Proseal production rates
- Long ribbon lengths for more throughput between ribbon changes
- Advanced coder software virtually eliminates setup errors
- Several print color options
- Higher throughput versus prior models by 25%



QSP-O-01548

Purchase Price

\$14,500.00

ProStarter Spares Kit

Regardless of whether this is your first Proseal or an addition to your existing fleet, we are delighted to now be able to offer the Proseal Starter Kit.

This package has been specifically tailored to allow you to have what we consider to be the essential spares kit to accompany the machine and tools contained within this quote.

We highly recommend being proactive in ensuring your Proseal equipment continues to function optimally by purchasing this spares package.

This Kit comprises the minimum spares required to provide instant relief in an emergency breakdown situation, ultimately, reducing the likelihood of downtime and increasing overall efficiency.

ProStarter Kit Machine List Price	\$4,000.00
ProStarter Kit Machine KPP Purchase Price	\$3,200.00
ProStarter Kit Tool List Price	\$1,450.00
ProStarter Kit Tool KPP Purchase Price	\$1,160.00

Additional terms

With delivery of your ProStarter Kit, will be a list of part numbers and minimum on-hand quantities. We highly recommend these parts and quantities be maintained throughout the life of the Proseal equipment.

Proseal will replace any of the included machinery parts should they be changed within your warranty period. All damaged parts must be returned to Proseal for the warranty to be redeemed.



Lease Purchase Option

<u>Term:</u>	12 Months
APR:	3.25%
Deposit:	30%

Total Purchase Price	\$168,651.75
Less 30% Deposit	\$ 50,595.53
Amount to Finance	\$118,056.23
12 Monthly Payments of	\$ 10,012.07
Total Monthly Payments	\$120,144.82
Total Interest Charged	\$ 2,088.59

Utility Requirements

Electrical Mains – Tray Sealer	3P208V9
Pneumatic Mains	5 CFM @ 90 PSI Machine supplied with 8mm Air Fitting
eWON – Remote Diagnostic System	Requirement: Cat5e RJ45 Connection to internet eWON gives Proseal the ability to remote dial into the equipment to diagnose and troubleshoot any unforeseen issues. This connection is required at time of install in order to allow this free of charge service to be utilized. Warranty may be voided should this remote access be denied at any time for any reason.

Film Requirements

Max Wound Diameter	250mm
Core Diameter	75mm

The Packing Line shall be capable of processing trays at guaranteed speeds based on following guidelines:

PRODUCT/PACKAGING WASTAGE

For a system of this nature, Proseal America. would expect product and packaging rejects/wastage to be less than 1%.

ACCEPTANCE PROTOCOL / CONDITIONS

Any reduction in performance attributable to non Proseal America. supplied equipment will be deducted from the performance calculation, such as:

- Stoppages due to insufficient services
- Stoppages due to poor operator response time
- Stoppages due to starvation of packaging material
- Stoppages due to out of specification packaging materials
- Any other stoppages outside of Seller's control will be excluded from the calculations.
- Any speed reduction do to manual placement of product.

PERFORMANCE CALCULATION

- The performance calculation is based on 1 x 4 hours continuous shift
- Available production time = 4 hours stoppages outside seller's control
- Number of available units = available production time x (Max machine speed)
- Machine efficiency = Number of actual units/number available units (x100%)
- Theoretical production efficiency > 95% over 1 x 4 hour continuous shift.

General packaging requirements for heat sealing.

- Minimum seal width on tray flange is 4mm.
- The cut of the trays to the sealing flange must be central to within +/- 0.25mm
- The flanges of the tray must be flat to within +/- 1mm and repeatable in size between batches to +/- 0.5mm
- General materials
- Tray Material: PP; A-PET; C-PET; MAPET; EPS; Aluminum foil
- Film Material: PP, PE, Shrink films, laminates, foils etc...
- It is essential that tray and film samples are provided to confirm they are compatible and suitable for heat sealing.
- If the trays or film don't meet any one of the above, we can assess them individually for suitability.

Summary of Terms

Lead Time: Machines 10 – 12 Weeks <u>Tooling</u> 2 – 3 Weeks

Delivery: All freight, delivery charges, fees and costs associated with the transfer of Proseal equipment between Proseal and customer facilities are customer's full responsibility and will be charged separately.

Installation: One site visit to complete the initial installation and training for newly purchased toolsets and floor standing machinery is provided as a part of the purchase price. Additional site visits occurring for any reason outside of the fault of Proseal America, Inc will be charged at normal rates. To remain free of charge, the initial installation and training must occur during the normal work week. Should initial install and training be required on a weekend or government sanctioned holiday, our standard rates will continue to be free of charge, however, customer will be responsible for additional charges incurred for afterhours service. i.e. the difference between the two.

	Standard	After Hours
Labor per hour	\$ 150.00	\$ 300.00
Mileage (roundtrip)	\$ 1.50	\$ 3.00
Flights and Fees (roundtrip)	\$ 1,000.00	\$ 1,500.00
Rental Vehicle per day	\$ 100.00	\$ 150.00
Hotel per night	\$ 200.00	\$ 250.00
Per Diem per day	\$ 60.00	\$ 80.00

Payment terms: 30% deposit due with order, 60% due on completion (and prior to dispatch from Proseal) and 10% within 30 days of dispatch from Proseal.

Payment is required 24 hours prior to the scheduled dispatch. Dispatches are not scheduled until payment is received in full.

Bank Fees: Customer is responsible for any and all charges incurred in connection with any Payment transmitted to Proseal including but not limited to all bank fees.

Service: Included in the equipment price is a maintenance and breakdown service, including 24 Hour Telephone Support. +1 888 PRO 2470 or (+1 888 776 2470)

Warranty: Proseal machines are supplied with a full 12 months parts and labor warranty on all floor standing machinery. This excludes any third party equipment provided by Proseal on any other supplier. For additional details please refence Exhibit A of the Purchase Agreement.

This sales contract is valid for 30 Days

PROSEAL Standard Terms and Conditions for Supply of Goods and Services

- 1. DEFINITIONS: As used in this Agreement, the terms listed below are defined as follows:
- a. "PROSEAL" means the seller hereunder, Proseal America, Inc;
- b. "Buyer" means the party, or parties, other than PROSEAL identified in the Agreement;
- c. "STC" means these PROSEAL Standard Terms and Conditions for Supply of Goods and Services.
- d. "Order Confirmation" means a document between PROSEAL and the Buyer whereby the Buyer agrees to purchase the Work from PROSEAL and PROSEAL agrees to deliver the Work in accordance with the Agreement.
- e. "Proposal" means the technical document that sets out the specifications for the Work supplied by PROSEAL under the Agreement. Each Proposal shall incorporate therein all of the terms and conditions of the Agreement. For each project, Buyer and PROSEAL may sign a Proposal, which shall constitute agreement by both Buyer and PROSEAL of the Work supplied by PROSEAL for the related Price, whether or not signed. Proposal is interchangeable with quotation, quote or any other written document that sets out the specifications of the Work supplied by PROSEAL.
- f. "Agreement" means the Proposal, Order Confirmation, STC, and other agreed documents, if any.
- g. "Work" means the services that PROSEAL is to perform under the Agreement including but not limited to any installation, refurbishment and maintenance of equipment ("Services") and the equipment, parts and other goods or items that PROSEAL is to provide under the Agreement ("Goods"), as specified in the Proposal for each project.
- h. "Price" means the total amount due from Buyer under each individual Proposal; if not specified in the Order Confirmation, the Price shall be the price at the time of shipment.
- COMMENCEMENT OF WORK: The Agreement comes into force as of the date of the last signature on the Order Confirmation or the date of the Order Confirmation, whichever is later. PROSEAL shall not be obligated to commence Work under the Agreement until an irrevocable and confirmed documentary credit or bank guarantee payable on first demand, or other agreed security, is in PROSEAL's hand or down payment is irrevocably received in PROSEAL's bank account.
- 3. PRICES/PAYMENT: A quotation for the Work given by PROSEAL, shall only be valid for a thirty (30) calendar period from date of issue, otherwise prices may be subject to change. Unless otherwise specified in the Proposal, Buyer will pay the Price net 30 days. PROSEAL may place a finance charge, which will be the maximum allowed by law, on past due accounts. Buyer shall pay PROSEAL the full price and any additional expenses incurred by PROSEAL when delivery is delayed, suspended or otherwise not the date originally agreed to pursuant to Buyer's actions, omissions or written instructions. Notwithstanding any loss, theft, destruction or damage of Goods, the payments as contained herein shall continue to be paid by Buyer without offset. Buyer shall have no right to offset any amounts due or that become due to PROSEAL against any claims, charges, expenses or other payment of any kind whatsoever under any circumstances, including but not limited to any liability, which may arise due to a breach or alleged breach of the Agreement or any provision thereof. If legal action is required to collect amounts owed by Buyer to PROSEAL, PROSEAL is entitled to recover all reasonable collection costs, including, but not limited to attorney's fees and other legal costs incurred by PROSEAL in connection therewith.
- 4. TAXES: The Price does not include any applicable excise, sales, use, withholding, luxury, turnover (including, without limitation value added and goods and services), purchase or similar tax of any kind unless otherwise shown on the Agreement. Buyer shall be liable for payment of all such taxes, fees, and charges. Any tax required to be withheld by Buyer under the laws of any country for the account of PROSEAL, shall be promptly paid by Buyer and on behalf of PROSEAL to the appropriate governmental authority.
- 5. BUYER'S CREDIT; SECURITY INTEREST: Should Buyer's financial responsibility become unsatisfactory to PROSEAL, in its sole discretion, advance payments, demands for assurances or adequate security may be required by PROSEAL for all deliveries hereunder. If PROSEAL makes a demand for assurance, the proper assurance shall be in the amount of any and all payments. PROSEAL reserves the absolute right, among other remedies, to terminate the Agreement or suspend further performance hereunder in the event Buyer fails to fully comply with the terms and conditions of the Agreement (including, without limitations, failure to pay for any one shipment when same becomes due), or if Buyer becomes bankrupt or insolvent, or if Buyer fails to pay any of the taxes required by the Agreement with respect to the sale of PROSEAL's Goods and/or Services, or if Buyer fails to promptly provide the cash payment, demand for assurance or adequate security as required above in the event of such termination. PROSEAL shall be entitled, upon demand, to indemnification for, at PROSEAL's option, either (a) all costs and expenses already incurred or commitments made by PROSEAL in its performance hereunder, plus reasonable amounts for overhead and profit, or (b) a restocking fee equal to 15% of the list price of the Goods sold hereunder. Buyer shall be subject to the late fees described in the "PRICES/PAYMENT" section of this Agreement.
- To secure all of Buyer's obligations to PROSEAL, including the full, complete and prompt payment of all amounts owed by Buyer to PROSEAL with respect to the Goods sold hereunder, Buyer hereby grants, pledges, conveys and assigns to PROSEAL a lien on and security interest in the Goods sold hereunder and the proceeds thereof. Buyer authorizes PROSEAL to file any and all financing statements PROSEAL deems necessary or appropriate to perfect the security interest granted herein. Buyer agrees to take any and all further steps and execute and deliver to PROSEAL any and all documents reasonably requested by PROSEAL which are necessary and appropriate to perfect the security interests granted herein. Buyer will not create or permit the existence of any lien or security interest (other than that created hereby) on such Goods without the prior written consent of PROSEAL.
- 6. ACCEPTANCE: Buyer may choose to issue a purchase order to identify the Work for purchase and for its own internal purposes. However, unless accepted in writing and such acceptance is signed by a duly authorized representative of PROSEAL, any Buyer's terms and conditions contained in purchase orders, acceptances, acknowledgments, confirmations or other documents inconsistent with, different from, or additional to the terms and conditions herein, will be null and void, and in lieu thereof, the terms and conditions herein shall control. No modification hereof shall be binding upon PROSEAL unless such modification is in writing signed by a duly authorized representative of PROSEAL.
- 7. ACCURACY OF BUYER'S INFORMATION: Buyer shall be responsible for the accuracy of any designs, drawings, and specifications it provides to PROSEAL and shall hold PROSEAL harmless from any and all costs or expenses PROSEAL incurs due to any Buyer's errors or mistakes. The parties acknowledge that PROSEAL is relying on the completeness and accuracy of the information and data provided by the Buyer regarding Buyer's plant operations, and any incompleteness or inaccuracies in the Buyer provided information and data may have an adverse impact on the ultimate performance of the Work or on the workmanship and quality or operation of the Good(s) and Services provided by PROSEAL. The Buyer shall be liable for and shall pay for any such adverse impact (including, without limitation, any delay, cost, charge, penalty, expense, injury or damage) arising out of or related to such incompleteness or inaccuracy.
- It is understood that (a) PROSEAL has relied upon data furnished by or on behalf of Buyer with respect to the application, manner of use, location, connection to other pieces of equipment and safety aspects of the Goods or upon representations made by Buyer or on behalf of Buyer that the Goods will not be applied or used by Buyer or its customers in such a way as to detract materially from their safety in use, including without limitation in an installation of which the Goods will be a part or in the manufacture of another product in which the Goods will be a component; and (b) that it is Buyer's responsibility to assure that the Goods when installed and put in use will be in compliance with safety requirements fixed by applicable law and will be otherwise adequate to safeguard against injuries and damage to persons, property and the environment.

In the event Services are to be provided under the Agreement, Buyer will inform PROSEAL of every technical modification to the equipment or parts in writing, which Buyer will perform or has performed on the equipment or parts. If Buyer does not inform PROSEAL correctly or the Buyer modifies the equipment or parts independently without notification in writing to PROSEAL, PROSEAL may suspend the Service without any compensation for such suspension to be made by PROSEAL. In the event, any samples, drawings, descriptive matter or advertising is produced by PROSEAL or are contained in any catalogues, brochures, or represented on PROSEAL's website, these are produced for the sole purpose of giving an approximate idea of the Works referred to them. They shall not form part of the Agreement.

- 8. CHANGES: If Buyer requests a change in the Work which is acceptable to PROSEAL, then PROSEAL will give Buyer notice of a change order describing the change and any increase in Price or extension of delivery dates required by the change. If Buyer does not object to the change order within ten (10) calendar days from the date of notice, both parties will sign the written change order and then PROSEAL shall proceed with the change, and Buyer shall pay for the change as indicated in the change order upon issuance of PROSEAL's invoice. PROSEAL reserves the right to discontinue the manufacture or provision of, or change or modify, any Goods or Services or their design or construction.
- 9. DELIVERY AND ACCEPTANCE: Unless otherwise stated elsewhere on the Agreement, Goods are delivered Ex Works Incoterms 2020. Buyer shall be listed as the importer of record. PROSEAL shall not be responsible for the arrangement of customs clearance or the payment of import fees and customs clearance duties for the Goods nor any Services or withholding tax applicable to the Services due to the rules of the place where Goods or Services are supplied. Deliveries are scheduled only after acceptance of an order, clarification of required technical information, including Buyer approval of drawings when required, and the gareed upon down payment has been made by the Buyer and/or gareed upon payment securities have been provided. Shipping dates are estimates, made to the best of PROSEAL's ability based on conditions prevailing at the time of quotation, and are not guaranteed. Buyer must immediately inspect or provide for immediate inspections upon delivery. All claims for alleged conspicuous defects are waived and Buyer shall be deemed to have accepted the Goods and/or Services, unless PROSEAL is notified of such claim within thirty (30) calendar days after receipt of the Goods or completion of the Services. PROSEAL shall be released from any time obligations if: (a) information, including but not limited to, data, drawings, schemes, or diagrams, necessary for design, manufacture, supply or delivery is not timely received from Buyer, is incomplete, or contains inaccuracies, (b) Buyer fails to perform any of its obligations under the Agreement, (c) unanticipated or different tests, controls or inspections must be conducted, or (d) Buyer requests variations to the Work from that specified in this Agreement.
- 10. BUYER'S DELAYS: In the event PROSEAL should be requested by Buyer to delay any aspect of PROSEAL's obligation (including but not limited to manufacture, transport, delivery, installation, test, handover and/or acceptance) related to any Goods or Services purchased under the Agreement, or if any delay is caused by a default of the Buyer or its agents, representatives or affiliates including (without limitation) delay caused by Buyer's breach of the Agreement, breach of the law (including any tort) or willful misconduct, the Buyer understands and accepts that PROSEAL's overall production and project schedules may be adversely impacted, and Buyer will indemnify PROSEAL against any costs associated with any such delay such as, but not limited to:

a. If the delay requires storage of Goods beyond the scheduled delivery date, a storage fee will be assessed for all delayed Goods pending final delivery and installation at Buyer's site(s).

b. Any additional costs incurred by PROSEAL in repairing and refurbishing the Goods to original condition following such storage period and prior to delivery to Buyer.

c.Any extra handling costs incurred in extra or double handling of the Goods to accommodate such Buyer caused or requested delays.

d.Any costs associated with labor and material cost increases.

e.Payment in full for the Goods completed in accordance with the Agreement schedule, but placed into storage to accommodate the Buyer.

f.For any such delay that lasts for more than thirty (30) calendar days, PROSEAL will be entitled to revise its delivery dates, project completion schedule, and prices (including the Price).

11.ON SITE SERVICES: In the event that PROSEAL provides Services at Buyer's site or a third-party site, under the direction of the Buyer, under the Agreement, Buyer is responsible for (a) buying and providing all parts, oil, grease, refrigerant, consumables, etc. used during the Service; (b) ensuring that a person responsible for the daily operation of the equipment or parts at Buyer's site is present during the Services and for any additional visits; (c) ensuring that safety procedures are adhered to; (d) ensuring that the equipment and parts shall be cleaned and ready for Services; and (e) buying and providing, at its costs, original parts and materials for overhauls and repairs when PROSEAL's technicians will arrive on site. PROSEAL Service technicians will check, maintain, and install parts only if they are PROSEAL genuine and original parts. PROSEAL will be granted access to the Goods during normal working hours Monday through Saturday, and as agreed by prior arrangement on weekends and on holidays. PROSEAL personnel working hours are maximum 12 hours per day, 6 days per week (one rest day per week is mandatory) unless otherwise provided by applicable law. With particular reference to personnel safety, PROSEAL's supervisor shall under no circumstances perform Services under the Agreement without appropriate attendance of suitably qualified assistants or back-up personnel supplied by the Buyer. PROSEAL may suspend performance of its obligations under the Agreement, if PROSEAL's parent company or any governmental authority or intergovernmental organization issues advice indicating that any of PROSEAL employees, agents or subcontractors should not travel to the place where any obligation is to be performed. Such advice is a force majeure event. PROSEAL may suspend its performance of its Services due to failure by Buyer to perform its obligations under the Agreement, in which PROSEAL will not be liable for any costs or losses sustained or incurred by Buyer due to PROSEAL's suspension of performance. Buyer shall provide all permits and licenses required by Federal, State or local authorities in connection with the delivery and installation of the Goods.

Proseal America, Inc., 7611 Whitepine Road, Richmond, VA 23237, USA Tel: 001 804 447 9038 Website www.prosealamerica.com

- 12. REMOTE ASSISTANCE: Upon the Buyer's authorization, PROSEAL can provide remote assistance via internet with a direct link to the PROSEAL equipment in order to do remote analysis or solve technical issues. The Buyer has the full responsibility to activate and verify that the network connection is secure and Buyer's employees are aware of any ongoing remote activity. The Buyer declares that any damages (including potential hackers actions) that the remote connection will generate to the Buyer's employees, to any equipment (installed at Buyer's plant) or to the Goods cannot be the fault of PROSEAL because it will be Buyer's full and exclusive responsibility.
- 13. INSPECTIONS: Any inspection or audit by PROSEAL is limited to (a) the defined and finite scope of the inspection or audit, (b) the day and time of the inspection or audit and (c) if applicable, physical limitations in the ability of PROSEAL to view, observe, inspect, audit, and access all relevant components, and is in no way to be considered a guarantee or warranty given on the inspected or audited equipment or components, or a guarantee or warranty regarding the future use, operability, or suitability of inspected or audited equipment or components, or a guarantee against future unforeseen malfunctions of any equipment or components. When performing an inspection or audit and/or within its inspection or audit report, PROSEAL may have noted possible areas of concern outside of the scope of the inspection or audit. This is done out of PROSEAL's commitment to identify and communicate possible equipment and component safety issues when they are noticed. However, in doing so, PROSEAL assumes no responsibility regarding such safety issues that PROSEAL may have noted, or undetected issues that might exist.
- WARRANTY: PROSEAL shall assign to Buyer, where possible, any warranties received by PROSEAL from suppliers or 14. manufacturers for Goods that PROSEAL, its subsidiaries or affiliates do not manufacture and that PROSEAL is authorized to pass on to a Buyer, and PROSEAL shall not have any liability for such items. Unless otherwise specified, the "Warranty Period" shall mean: (i) for new equipment: eighteen (18) months from date of shipment or twelve (12) months from the date of completion of installation, whichever occurs first; and (ii) for parts (excluding parts that are components of new equipment, which are covered by (i) above) and Services: six (6) months from shipment of parts or completion of Services.. For the Warranty Period, PROSEAL warrants that (a) the Services will be performed in a workmanlike manner; and (b) the Goods delivered will be free from defect in material and workmanship. PROSEAL also warrants that it possesses all licenses and copyright, data rights, typography rights, design rights, trademarks, trade names, utility models, patents, and any other intellectual property rights of similar nature (whether or not registered) existing anywhere in the world in or associated with the Goods (the "Intellectual Property Rights") and (c) the Goods will not infringe any third party Intellectual Property Rights. This warranty shall not apply (i) if Buyer fails to comply with its payment obligations under the Agreement; (ii) if Buyer fails to follow the operation and maintenance manuals and/or instructions provided by PROSEAL; (iii) if Buyer uses, obtains, purchases, incorporates or attaches components or parts not supplied by PROSEAL to the Goods; (iv) if Buyer purchases, obtains, contracts or subcontracts services not performed or supplied by PROSEAL; (v) to normal wear and tear parts; or (vi) if Goods which PROSEAL determines to have been subjected to abuse or other improper use. EXCEPT AS EXPRESSLY PROVIDED HEREIN, PROSEAL EXPRESSLY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY AS TO ANY GOODS DELIVERED OR SERVICES RENDERED IN CONNECTION WITH THE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY OR OTHER QUALITY AND FITNESS FOR A PARTICULAR PURPOSE.

PROSEAL will take no responsibility for the properties and safety of the product processed in PROSEAL's equipment. The user of the equipment is responsible for the foods produced and that they comply with applicable food safety regulations and general requirements implied, in the country of use and internationally.

ADDITIONAL WARRANTY iOPS™: The iOPS™ System, if included or if purchased by Buyer, is a supplemental feature 15. only and shall not be used as a substitute for Buyer exercising proper care regarding safety or maintenance of PROSEAL equipment. Buyer understands and agrees that it is Buyer's responsibility to exercise proper care regarding safety and maintenance of any equipment associated with the iOPSTM System and that the iOPSTM System functionality is dependent on third-party hosting providers and the performance of the internet, none of which is warranted in any respect by PROSEAL. In addition, Buyer acknowledges that iOPS™ System functionality may not detect all conditions that could be harmful, create downtime, or be of interest to Buyer. PROSEAL DOES NOT WARRANT THAT ANY SOFTWARE OR SERVICES WILL MEET ANY BUYER REQUIREMENTS, THAT ANY SOFTWARE OR SERVICES WILL OPERATE IN THE COMBINATIONS THAT BUYER MAY SELECT FOR USE, OR THAT THE OPERATION OF ANY SOFTWARE OR SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. NOTWITHSTANDING ANY OTHER PROVISION IN THE AGREEMENT, PROSEAL HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY AS TO THE IOPS™ SYSTEM, INCLUDING BUT NOT LIMITED TO THE WARRANIES OF MERCHANTABILITY OR OTHER QUALITY AND FITNESS FOR A PARTICULAR PURPOSE. Moreover, notwithstanding any other provision in the Agreement, Buyer understands and agrees that PROSEAL shall have the absolute right to gather, store and analyze any and all data, including but not limited to error data, event and performance logs, and process data associated with the iOPSTM System provided to Buyer. Further, to the extent any data is not owned by PROSEAL, Buyer hereby grants PROSEAL a nonexclusive, irrevocable, and assignable right and license to gather, store and analyze any and all data associated with the iOPSTM System provided to Buyer.

- ADDITIONAL WARRANTY iOPS™: The iOPS™ System, if included or if purchased by Buyer, is a supplemental feature only and shall not be used as a substitute for Buyer exercising proper care regarding safety or maintenance of PROSEAL equipment. Buyer understands and agrees that it is Buyer's responsibility to exercise proper care regarding safety and maintenance of any equipment associated with the iOPSTM System and that the iOPSTM System functionality is dependent on third-party hosting providers and the performance of the internet, none of which is warranted in any respect by PROSEAL. In addition, Buyer acknowledges that iOPS™ System functionality may not detect all conditions that could be harmful, create downtime, or be of interest to Buyer. PROSEAL DOES NOT WARRANT THAT ANY SOFTWARE OR SERVICES WILL MEET ANY BUYER REQUIREMENTS, THAT ANY SOFTWARE OR SERVICES WILL OPERATE IN THE COMBINATIONS THAT BUYER MAY SELECT FOR USE, OR THAT THE OPERATION OF ANY SOFTWARE OR SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE. NOTWITHSTANDING ANY OTHER PROVISION IN THE AGREEMENT, PROSEAL HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY AS TO THE IOPSTM SYSTEM, INCLUDING BUT NOT LIMITED TO THE WARRANIES OF MERCHANTABILITY OR OTHER QUALITY AND FITNESS FOR A PARTICULAR PURPOSE. Moreover, notwithstanding any other provision in the Agreement, Buyer understands and agrees that PROSEAL shall have the absolute right to gather, store and analyze any and all data, including but not limited to error data, event and performance logs, and process data associated with the iOPSTM System provided to Buyer, Further, to the extent any data is not owned by PROSEAL, Buyer hereby grants PROSEAL a nonexclusive, irrevocable, and assignable right and license to gather, store and analyze any and all data associated with the iOPS™ System provided to Buyer.
- LIMITATION OF REMEDY AND LIABILITY: PROSEAL's liability under the Agreement is, and Buyer's exclusive remedy, shall be limited to (a) in the case of a breach of warranty with respect to the intellectual property right, the intellectual property indemnification provision set forth herein (b) the re-doing of Services found defective; (c) the repair or replacement (at PROSEAL's option) of Goods found to be defective, returned EXW Incoterms 2020 PROSEAL's factory, at Buyers cost; or (d) if, in PROSEAL's sole discretion, re-work, repair or replacement will not remedy a claimed defect or failure of the Work to comply with any express warranties, Buyer's remedy is limited to repayment of any amounts paid on the Price, cancellation of the Agreement and return of the Goods EXW Incoterms 2020 PROSEAL's factory. PROSEAL shall not be liable for labor and/or expenses to remove, replace, re-install, or subsequently inspect the Goods, nor for transportation or freight of the Goods. If the Goods, or other equipment supplied under the Agreement, have been used for a period of at least thirty (30) calendar days, PROSEAL may deduct a reasonable depreciation charge from the repayment of the Price. Buyer will give PROSEAL access to and cooperate in repair of the Goods and, at PROSEAL's request, permit PROSEAL to oversee their removal. NOTWITHSTANDING ANYTHING TO THE CONTRARY ELSEWHERE HEREIN, THE PARTIES AGREE THAT UNDER NO CIRCUMSTANCES MAY THE TOTAL AGGREGATE LIABILITY UNDER THE AGREEMENT FOR ALL OF PROSEAL'S EXPOSURE EXCEED THE PRICE OF THE APPLICABLE PROPOSAL OR US \$1,000,000, WHICHEVER IS THE LESSER AMOUNT.
- 17. NO CONSEQUENTIAL DAMAGES: NEITHER PARTY SHALL BE LIABLE TO THE OTHER IN CONTRACT OR IN TORT, DIRECTLY OR UNDER ANY INDEMNITY, FOR LOSS PROFITS, LOSS OF GOODWILL OR OPPORTUNITY, OR FOR ANY INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES, ARISING OUT OF OR RELATED TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO LOSS OF USE, BUSINESS INTERRUPTION OR DELAY OF PRODUCTION, HOWEVER SAME MAY BE CAUSED.
- 18. PROPRIETARY RIGHTS:
- a. No Assignment of Rights. Nothing contained in the Agreement shall be construed as an assignment or grant to Buyer of any right or title to the trade secrets, copyrights, patents or other intellectual property rights associated with the Work or for any other related information or data supplied by PROSEAL or its licensors.
- b. Confidential Information. Buyer agrees that the Work, its design and process know how, instructions on usage, and any other related information or data supplied by PROSEAL (the "Confidential Information") constitute valuable trade secrets and proprietary information of PROSEAL or its vendors or subcontractors. Buyer agrees that it shall hold the Confidential Information in confidence and secrecy. Buyer shall not use Work or the Confidential Information except as expressly authorized by the Agreement or except to operate and maintain the Goods supplied or serviced hereunder. Further, Buyer shall not disclose the Work provided hereunder or Confidential Information to any party other than its employees or agents who need to use it in order to operate or maintain the Goods supplied or Services hereunder. Confidential Information shall not include information which (a) is already in the receiving party's possession at the time of receipt from the disclosing party; (b) is or later becomes public through no fault of the receiving party; (c) is lawfully received from a third party having no obligation of confidentiality to the disclosing party; (d) is required by law to be disclosed; or (e) is independently developed by the receiving party who did not have access to the Confidential Information.
- c. Copying. Buyer agrees that it shall not, in whole or in part, copy, disclose, reverse compile, disassemble, reverse engineer, or make any unauthorized use or modification of the Work. Buyer further agrees that it shall not make, or permit any person to make, any drawing, photographs or other reproduction of the Work other than of the external Work as a whole or as otherwise authorized by the PROSEAL. Notwithstanding the foregoing the Software may be copied for backup or archival purposes reasonably necessary to support the license granted herein.
- d. Software License. To the extent any software is being delivered hereunder (whether or not embedded in any Goods), such software and accompanying documentation (collectively the "Software") is owned or licensed by PROSEAL and protected by U.S. and international copyright laws, treaties, and conventions. PROSEAL grants to Buyer a non-exclusive, non-transferable license to use the Software in operating the Goods. If Buyer uses the Software beyond the scope of this license, including making alterations to or copying the Software, then PROSEAL may terminate such license without prior written notice. Upon termination of the Agreement or the license related thereto, Buyer shall promptly return to PROSEAL or destroy (and certify such destruction) all copies of the Software.

GQ169067 Page 15

28 July 2020

ADDENDUM A - WARRANTY PERIODS LIQUID FOODS

Effective: 3/9/2020

Definitions applicable to this Addendum:

- A. "Mechanically Complete" means the installation and completion of all items for which JBT is listed as the responsible party in the Responsibilities section of the JBT proposal. Completion of these items shall make the Equipment ready for mechanical start up, less any work for which other parties are responsible.
- B. "Consumables", "Consumable Items" or "Wear Parts" shall collectively mean items including, but not limited to; lubricants, fluids, filters, belts, bushings, bearings, bulbs, fuses; items with the term "wear" in the item description; any product or part which has a life, under normal usage, inherently shorter than three (3) months or one thousand forty (1040) hours of operation; items otherwise expected to wear out or be consumed under normal usage in a significantly shorter period of time as compared to an entire piece of equipment. FOR ALL WARRANTIES, CONSUMABLES, CONSUMABLE ITEMS, AND WEAR PARTS ARE EXCLUDED.
- C. "Substantial Completion" means JBT has completed Goods or Services to the extent that the Customer may use the Work as intended, less any minor "punch list" items.
- D. "Beneficial Use" means: when the Customer begins using the equipment for its intended purpose.)
- E. "Parts" shall mean, for the purpose of differentiating their Warranty Periods from whole equipment, individual components distinguishable from whole equipment, which may be reworked, replaced or purchased separately from whole equipment.
- F. "Cosmetic Damage" means damage that does not affect the functionality of the Equipment or Part, including, but not limited to, scratches, scuffs, dents, minor surface rust, discoloration, or other damage caused by normal wear and tear.
- G. "Work" if not already defined elsewhere in the Agreement, shall mean the services that JBT is to perform under this Agreement ("Services") and the equipment, parts and other goods or items that JBT is to provide under this Agreement ("Goods").
- H. "Reconditioned Equipment" means equipment that is not new, but has been refurbished for resale.

Warranty Periods: Warranty Periods are divided into "Product Lines" as described below, and vary based on the nature of the Equipment or Part, and the varying market segments in which they participate and compete.

A. For Canning Products: (Preservation Systems NA, PLF, and SF&DS)

Which include Aseptic Processing, Filler-Closers, Retorts, Rotary and Hydrostatic Sterilizers, tomato and fruit Processing systems, and other equipment within these product lines:

- For Equipment and Services: a period of twelve (12) months from shipment or six (6) months from installation, whichever is earlier.
- For goods that JBT, its subsidiaries or affiliates do not manufacture, JBT shall assign the Customer, to the extent
 possible, any warranties received by JBT.

B. For A&B Processing Products:

Which include Melt systems, HTST and Vat Pasteurization, Batching & Blending systems, Dairy Transfer, Processing, Handling and Drying systems, and other equipment within these product lines:

- For Melt systems, HTST & Vat Pasteurization, Batching & Blending systems, Dairy Transfer, Processing, Handling and
 Drying systems; a period of twelve (12) months from the date of acceptance of the equipment by the Buyer or eighteen (18)
 months from the date the equipment is ready to ship, whichever is earlier.
- For Parts (excluding parts that are subsumed within new equipment, which are covered by the foregoing), six (6) months
 from shipment:

C. For Fruit and Juice Products:

Which include Chopper Blenders, Finishers, Beltroll Sizers, Brush Washers, Quick Fiber Devices, Roller Spreaders, FVP Skids, and other equipment within these product lines:

For new equipment not part of a lease agreement: Eighteen (18) months from shipment or twelve (12) months from
installation, whichever is earlier.

D. For Fresh Produce Technologies Products:

Which include Bin Scrubbers, Dryers, High-Pressure Washers, Labelers, and other packing equipment within these product lines, excluding wax, coatings, labels and other chemicals:

For new equipment not part of a lease agreement: twelve (12) months from shipment or six (6) months from
installation, whichever is earlier.

E. For Proseal America Inc Products:

Which include tray-sealing equipment and other equipment within its product line:

- For new equipment not part of a lease agreement: eighteen (18) months from shipment or twelve (12) months from
 installation, whichever is earlier.
- Proseal warranty does not cover Tooling.

F. For FTNON Products:

Which include Magnetic Onion Peelers, Cabbage Coring Machines, Centrifuge Equipment and other robotic food processing equipment within these product lines.

FTNON warrants that the goods delivered by FTNON under this Agreement will be free from defect in material and workmanship for a period of 12 months from Ex-Works Delivery date or 6 months after Site Acceptance Testing, whichever is earlier. The sole remedy for breach of this warranty is the repair or replacement of the defective goods, and FTNON will not be liable under this warranty for down time, lost profits or for any other costs. As stated in 1B, wear parts and consumables are excluded from this clause.

G. For Avure Technologies Inc Products:

Which include High Pressure Processing machines and other equipment within this product line:

• Avure warrants all Goods of its manufacture furnished under this Agreement to be free from defects in workmanship and material for the lesser of: (i) 100,000 cycles, or (ii) a period of twelve (12) months from the date of Goods acceptance by Buyer. An additional cycle / time vessel and frame warranty is outlined below. If the system is not installed and commissioned due to Buyer's delay within six (6) months of Avure's notice that the system is ready to ship Ex Works point of manufacture, the warranty is reduced to three (3) months from final installation and commissioning.

• Avure warrants all wire wound vessels and wire wound frames of its manufacture furnished under this agreement to be free from defects in workmanship and material for the lesser of:

Wire Wound Vessel

Pro-rated warranty for 200,000 cycles or 4 years, whichever first occurs, based on adherence to recommended maintenance practices. If the wire wound vessel fails prior 100,000 cycles or four years whichever first occurs, it will be fully covered under warranty for the cost of the replacement vessel and Avure labor to install the vessel. Other parts and rigging associated with the replacement are not covered. If the wire wound vessel fails between 100,000 and 200,000 cycles or 4 years, whichever first occurs, the warranty will be pro-rated based on the formula of the number of cycles at failure divided by 200,000 (i.e. – failure at 140,000 cycles {140,000 / 200,000 = 0.7} = 70% of the product warranty used, so warranty will cover 30% of the cost of the replacement vessel).

Wire Wound Frame

Pro-rated warranty for 400,000 cycles or 4 years, whichever first occurs, based on adherence to recommended maintenance practices. If the wire wound frame fails prior 100,000 cycles or four years whichever first occurs, it will be fully covered under warranty for the cost of the replacement frame and PROSEAL labor to install the frame. Other parts and rigging associated with the replacement are not covered. If the wire wound frame fails between 100,000 and 400,000 cycles or 4 years, whichever first occurs, the warranty will be pro-rated based on the formula of the number of cycles at failure divided by 400,000 (i.e. – failure at 240,000 cycles {240,000 / 400,000 = 0.6} = 40% of the product warranty used, so warranty will cover 40% of the cost of the replacement frame).

The warranties of this section do not cover normal wear and tear or deterioration. This applies, for instance, to wear parts such as high-pressure seals, filters, high-pressure valves, etc. Avure is, however, liable for first-class materials and workmanship. In addition, the notion "circumstances" is defined as "all circumstances which are to be attributed to acts or omissions of the Buyer which have caused damage to the Goods".

In the event that a Warranty Period is not specified for a particular product or service herein, the Warranty Period shall be six (6) months from date of purchase, or the amount of time for which such product or service is expected to last under normal operating conditions or generally accepted industry standards, whichever period of time is less.

NOTE: All warranty claims are to be made to JBT in writing within an appropriate time after the discovery of any fault, and no later than within 7 days of the expiration of the applicable Warranty Period, and include documentation giving reasonable evidence of the validity of the warranty claim. Claims made after that period of time are not covered under any warranty provisions herein, unless explicitly stated otherwise in a specific JBT quote upon which an order is based. Any cause of action arising out of or related to the Product or any JBT Product warranty shall be brought within one year from the date the claim was discovered or should have been discovered, whichever occurs first.

While this Addendum's primary focus is on defining applicable Warranty Periods across JBT product families, the body of this Agreement includes additional warranty provisions, and applicable warranties shall not apply under various conditions. Please refer to the warranty provisions of the Agreement for further information.

Acceptance

By signing below, Customer acknowledges and accepts all terms and conditions as outlined in this sales contract and by signing this document, customer is aware this is now an official sales contract, as included herein and attached hereto. Customer understands that the lead time detailed on the previous page will not begin without Proseal America, Inc. receiving the following:

- Signed copy of Sales Contract Acceptance
- Purchase Order accepting the terms and conditions of this Sales Contract
- Final trays for all tools to Proseal
- Signed project drawings (if applicable)
- Payment of deposit invoice as detailed in payment terms

Customer also understands that lead time will be affected should any modifications be made to any of the equipment specifications detailed in this sales contract.

Additionally, should any changes to specifications, trays, auxiliary equipment, etc. be made, this sales contract will be invalid and a new sales contract will need to be submitted for approval outlining all changes. In the event that Customer's Purchase Order contains any terms and conditions that are not consistent with or that are different in any manner from the terms and conditions contained in and attached to this sales contract, such terms and conditions contained in Customer's Purchase Order shall be void and of no effect. The undersigned expressly represents and warrants that he or she is duly authorized by all required entity action to execute and deliver this Acceptance of the Sales Contract as the valid, binding and enforceable action of the party for which he or she is executing and delivering this Acceptance of the Sales Contract.

	Physical PO will be provided
Purchase Order Number	Physical PO will NOT be provided
Print Customer Name	
Signature	
Title	
Date	
Signed on behalf of Proseal	
Date	

Exhibit A

Equipment Warranty

Proseal warrants all new machines to be free from defects caused by substandard material or inferior workmanship. This liability is limited to the obligation to repair, or at Proseal's discretion, replace without charge any part found to be defective under normal wear and tear within one (1) year from the commencement of this warranty. The warranty period begins upon completion of the installation, or within four (4) weeks of the original scheduled delivery date of equipment, whichever date is first.

Extent of Coverage

This warranty pertains to all Proseal floor standing machinery. This warranty is limited to the original purchaser of equipment and is not transferable. Proseal Warranty does not cover Tooling.

Invalidation

This warranty will be invalidated if any of the following occur:

- 1. The Proseal equipment is operated outside the recommended parameters as specified in the operations manual.
- 2. The unit is modified in any way which is not authorized in writing by Proseal prior to the modification.
- 3. Scheduled service is not carried out at least once a year for original warranty terms and biannually thereafter by a Proseal engineer.
- 4. Any installation, service, relocation is performed by anyone other than a certified Proseal engineer. (Should you relocate a machine, Proseal need to be informed and a charged schedule check-up needs to be planned to ensure the move has been completed safely and accordingly to the Proseal standard).
- 5. Scheduled Maintenance Checklist is not reported to Proseal within thirty (30) days of performance of scheduled maintenance.
- 6. eWON is disconnected after installation or access is denied for any time and for any reason.

Exclusions

The following are not covered under the scope of the warranty:

- 1. The replacement of infeed and outfeed belts.
- 2. Any parts damaged due to improper hygiene methods as stated in the equipment manual.
- 3. Third party equipment supplied by Proseal or ancillary equipment supplied by others, or damage caused by such equipment.
- 4. The replacements of lost, damaged, or broken cubicle keys and PROTECT access cards.
- 5. Damage or intermittent failure caused by connection to incorrect power supplies.
- 6. Repairs necessitated by abuse, negligent care, deliberate damage, accident, fire, flood, and power supply surges.
- 7. Costs associated with delivery of Proseal equipment or spare parts to or from Proseal
- 8. Travel expenses including but not limited to hotel, rental car, mileage, and per diem.

EXCEPT AS EXPRESSLY PROVIDED HEREIN, Proseal EXPRESSLY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY AS TO ANY GOODS DELIVERED OR SERVICES RENDERED IN CONNECTION WITH THIS PURCHASE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY OR OTHER QUALITY AND FITNESS FOR A PARTICULAR PURPOSE.

During the Warranty Period, Proseal shall provide to Customer, without additional charge, 24-hour a day, 365-day a year access to a toll-free service hotline at 1 (888) 776-2470.