

Latin Specialties LLC

Vendor Terms and Conditions

(1) Agreement to Terms:

- By engaging in business with LS, the vendor explicitly agrees to abide by the terms and conditions set forth herein. This agreement supersedes and takes precedence over any and all prior or existing agreements, whether written or verbal, between the parties related to the subject matter herein

(2) PACA Trust:

- The terms and conditions herein are applicable to all produce sales and comply with Perishable Agricultural Commodities Act (PACA) Trust regulations.

(3) Quality Assurance:

- Seller agrees to supply products meeting USDA #1 grade, as well as, adhering to mutually agreed LS and final customer quality and packaging specifications.

(4) Inspection:

- Seller agrees that no final product title transfers will occur within 48 hours of the product's arrival at LS docs (or final customer in the case of drop shipments), granting LS the right to inspect the product and ensure its compliance with agreed-upon customer specifications. Latin Specialties shall have a maximum of 48 hours from the date of product receipt at the facility to complete all inspections. In the event of a dispute regarding product quality, Latin Specialties reserves the right to call for a USDA inspection at the vendor's expense to assist in resolving the issue. Latin Specialties agrees to promptly notify the seller upon completion of the inspection if the product fails to meet the agreed standards. In such cases, the seller commits to reimbursing Latin Specialties for any inspection, sorting costs, freight, unloading charges, and/or any other reasonable expenses incurred.

(5) Net Weight Guarantee:

- Seller guarantees the net weight of the product as agreed upon in the purchase order. Product weight will be checked following LS standard inspection protocols. In the event that product cases are found to be underweight during inspection, Latin Specialties reserves the option to repack the product to comply with the purchase order standards at the seller's expense. The seller commits to reimbursing Latin Specialties for all expenses related to the repackaging, or alternatively, reducing the cost of the product to account for the deficient weight.

(6) P.O. CREATION & SHIPPING:

- Seller acknowledges that a binding purchase includes the following conditions: a) A valid sequential PO number generated from the company's ERP system; b) An email from an approved Latin Specialties buyer with an active LatinSpecialties.com email account; c) Seller agrees to copy at least one additional LS buyer and/or principal on every email conversation where the exchange of merchandise is about to take place; d) The use of logistics coordinated with the involvement of the Latin Specialties logistics team; and e) Immediate notification to Latin Specialties Accounts Payable by sending a Bill of Lading (BOL) including the valid P.O. number via email for every transaction prior to shipping the product. Latin Specialties will not be responsible for merchandise shipped without following the strict protocol listed above.

(7) Non-Recognition of Certain Purchases:

- Purchases made via phone, text services, such as WhatsApp, or originating from personal email accounts or URL's not listed in this document are not recognized as valid or binding by Latin Specialties.

(8) FRAUD PREVENTION:

- The use of third-party logistics, custom brokers, or warehouses not previously vetted and approved by the principals of Latin Specialties is strictly forbidden. If anyone requests the shipper to deviate from normal procedures or acts suspiciously in any way, the seller must immediately call one of the LS principals to confirm before shipping. It is especially important to follow the protocols listed in clauses #6 and #7 to prevent fraud, particularly in the case of drop shipments. LS will not be responsible for any merchandise lost or stolen as a result of not following the protocols described above, during shipment or through the use of any unauthorized third party.
- To combat e-mail fraud, communications regarding payment and/or remittance terms, payment addresses, banking information and/or contact persons for billing and/or payment purposes must be verified both in writing and by a secondary method. Customers and vendors seeking to change and/or modify any such terms should first contact Latin Specialties LLC's accounting department via telephone to request such changes, after which, a signed written confirmation by an authorized officer of the company will be required

(9) OVERSHIPPING:

- In the event the Seller delivers merchandise exceeding the quantity ordered on the P.O., the Seller agrees not to hold Latin Specialties responsible for such excess product. Latin Specialties reserves the right, at its sole discretion, to sell, donate, or otherwise dispose of any excess product on an open account basis in the marketplace if the quality is not up to standards or if a customer cannot be found. The Seller agrees to hold Latin Specialties harmless and without responsibility regarding the disposition of any excess product. Seller commits to reimbursing Latin Specialties for any associated expenses.

(10) P.O. AS A CONTRACT:

- Acceptance of Latin Specialties' properly issued Purchase Order (P.O.) constitutes a binding contract to supply Latin Specialties with the merchandise ordered, in the required quantities, on the specific delivery date agreed upon, at the agreed-upon price, and in the specified quality (if different from USDA No. 1). The Seller may be held responsible for damages, including product replacement costs, sorting and repacking expenses, inspections, and others, in the event of a canceled, modified, or subpar quality shipment. It is imperative to adhere to the protocols listed in clauses #5, #6, and #7 to prevent fraud. In case of a dispute, Latin Specialties may invoke mediation procedures for resolution.

(11) PAYMENT:

- Unless otherwise agreed, payment for the purchased product will be initiated no earlier than 10 days from the receipt of the invoice, accompanied by proper supporting documentation. A valid LS Purchase Order (PO) number and proof of receipt (signature and stamp) of an approved LS active employee must be included in all supporting documentation. If the Seller is notified of product unacceptability or other issues, the invoice will be placed on hold until a final resolution is reached. Payment for troubled shipments will only be processed after receiving a modified final invoice from the vendor. The receipt of such a modified invoice or Credit Memo by Latin Specialties constitutes the vendor's acceptance that all issues with the shipment have been satisfactorily resolved.

Payment terms are subject to the following conditions: (a) Standard payment within the United States will be processed through ACH payment. The Vendor is responsible for maintaining up-to-date ACH information and must notify Latin Specialties' Accounts Payable (AP) department in writing by completing a new ACH form. Additionally, the Vendor must inform the buyer of the account via phone call and via email in case of any changes; (b) For purchases outside the United States, payment may be made via wire

transfer; (c) The Seller agrees to reimburse Latin Specialties a fee of \$30.00 per transaction for wire transfers; (d) Other forms of payment requested by the Seller, including checks, will be handled at the Seller's responsibility. Latin Specialties reserves the right not to accept other forms of payment requested by the vendor or to increase service fees to cover bank and/or postal charges. It's important to note that Latin Specialties will not be held responsible for payments lost or stolen during transit by postal service or due to the vendor failing to keep their payment information accurate and up to date in LS records.

(12) SKIPPED INVOICES:

- Invoices will always be paid on a first-in, first-out (FIFO) basis. The Seller agrees to notify Latin Specialties immediately via email and by sending an updated statement in the case of any skipped invoices, short payments, or electronic payments not received within 24 hours of email notification, or of any amounts due over 21 days. Latin Specialties will not be responsible for and will not honor any invoices or amounts due over 3 months old not previously reported in the manner described above.

(13) LOST OR STOLEN CHECKS:

- Latin Specialties is not responsible for any lost or stolen checks and will not honor any checks not cashed within a 3-month time frame from date of issuance. The Seller agrees to promptly cash received checks and understands that Latin Specialties will not be liable for any losses incurred due to checks not cashed within the stipulated time frame.

(14) INSURANCE:

- Seller is responsible for providing Latin Specialties with a valid Certificate of Insurance (COI) listing LS as the insured party with a minimum coverage of \$5,000,000 USD per occurrence. Additionally, any contractors and/or freight companies conducting business on LS premises must carry workers' insurance with a minimum coverage of \$1,000,000 per occurrence and automobile insurance with a minimum coverage of \$1,000,000 per occurrence. The Seller, contractors, and freight companies must promptly furnish an updated COI as necessary or in case of any insurance changes. Failure to maintain the required insurance coverage may result in the suspension of business activities on LS premises until such coverage is reinstated.

(15) FOOD SAFETY & ESG:

- Seller agrees to provide and maintain up-to-date ESG and Food Safety documentation as required by Latin Specialties or its customers. Such documentation includes copies of third-party certifications, foreign supplier records, Pure Food letters of guarantee, and others as required by the Food Safety Modernization Act (FSMA) any other local, state or national food safety law. Minimum levels of food safety certification for any vendor must be at a GFSI level or higher. Seller further commits to holding harmless and defending

LS in the event of a food safety recall or emergency caused by any of the seller's items or actions. In case of a food safety lawsuit, the Seller agrees to bear the full cost of the recall and promptly reimburse LS for any associated expenses. Latin Specialties reserves the right to take legal action to recover damages incurred as a result of the food safety issue.

(16) LEGAL MATTERS:

- For all legal matters, the exclusive venue shall be in Houston, Texas, and any disputes shall be resolved in accordance with Texas law. Seller agrees to submit to the jurisdiction of the state and federal courts located in Houston, Texas. In the event of legal proceedings, Latin Specialties reserves the right to seek remedies available under Texas law. The parties further agree that mediation may be used at the discretion of Latin Specialties as a method of dispute resolution when convenient. The prevailing party in any legal proceedings or mediation shall be entitled to recover reasonable attorney's fees and costs.

(17) DATA SECURITY & BREACH LIABILITY:

- Confidentiality: The Vendor acknowledges the sensitive nature of the information exchanged during the course of business. Both parties agree to maintain strict confidentiality regarding any proprietary, financial, or personal information shared during the business relationship.
- Data Security Measures: The Vendor commits to implementing and maintaining robust data security measures to safeguard any information shared with or accessed by them. This includes but is not limited to, customer information, transaction data, and any other sensitive data exchanged during the course of business.
- Notification of Breach: In the event of a data breach or unauthorized access to any confidential information, the Vendor agrees to promptly notify Latin Specialties. Such notification should include details of the breach, the type of data affected, and the corrective actions taken.
- Indemnification: The Vendor shall indemnify and hold Latin Specialties harmless from any claims, losses, damages, or liabilities arising from a data breach caused by the Vendor's negligence or failure to implement reasonable data security measures.

- **Limitation of Liability:** Notwithstanding any other provision of this agreement, Latin Specialties' liability for damages resulting from a data breach or unauthorized access to confidential information, regardless of the cause, shall be limited to the direct damages proven by the party suffering the loss.
- **Force Majeure Exception:** Latin Specialties shall not be liable for any data breach or unauthorized access to information caused by events beyond its reasonable control, including but not limited to acts of God, natural disasters, war, terrorism, and governmental actions.
- **Insurance Requirement:** The Vendor is strongly encouraged to maintain appropriate insurance coverage, including cyber liability insurance, to cover any potential liabilities arising from a data breach.

(18) CONTRACTORS FREIGHT COMPANIES AND NON-PRODUCE LIABILITY CLAUSE:

- Contractors, freight providers and non-produce vendors acknowledge and agree that they are solely responsible for the actions and conduct of their employees, representatives, or agents while on the premises of Latin Specialties LLC (LS) facilities. Contractors, freight providers and non-produce vendors hereby agree to indemnify, hold harmless, and defend LS, its officers, directors, employees, and affiliates from and against any claims, damages, liabilities, losses, costs, or expenses arising out of or related to any acts or omissions of their employees, representatives, or agents while engaged in activities at LS facilities. This indemnification obligation includes, but is not limited to, incidents involving personal injury, property damage, or any other claims arising from the actions of contractor's or vendor's personnel.

(18) TERMINATION :

- Latin Specialties reserves the unequivocal right to terminate its business relationships with the Seller at any time, with or without cause. In such cases, the termination shall be effective immediately upon notice from Latin Specialties. The Seller shall promptly fulfill any outstanding obligations or deliveries as of the termination date. Upon termination, Latin Specialties retains the right to pursue any available legal remedies under Texas law.