



## Vendor Terms and Conditions

### **(1) Agreement to Terms:**

- By engaging in business with Latin Specialties LLC ("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, except for any separate written agreement signed by both parties that expressly supersedes these Vendor Terms and Conditions. These terms and conditions apply to all purchases of goods and services by LS from Vendor, including all purchase orders, work orders, and service authorizations issued by LS. The applicability of any other conditions is excluded and insofar as necessary any other conditions are rejected by LS.

Scope: These Vendor Terms and Conditions apply to all vendors ("Vendor"), including any seller, supplier, service provider, contractor, carrier, or other provider of goods or services to LS. Additional requirements may apply based on the products or services provided, including Quality Assurance and Food Safety requirements for produce and packaging vendors, and service, logistics, or contractor requirements for non-produce vendors.

### **(2) Quality Assurance:**

- Unless otherwise specified in writing, Vendor agrees to supply products meeting USDA #1 grade, as well as, adhering to mutually agreed LS and final customer quality and packaging specifications.

### **(3) Inspection:**

- LS (and/or its customer) shall have a maximum of forty-eight (48) hours from the date of product receipt at the applicable destination (including drop shipments) to inspect the product and provide written notice of rejection for nonconformance with agreed specifications and quality requirements.  
Use, processing, resale, or failure to provide timely rejection notice may constitute acceptance, except for latent defects not reasonably discoverable within the inspection

period. In the event of a dispute regarding product quality, LS reserves the right to request a USDA inspection at Vendor's expense to assist in resolving the issue. Vendor commits to reimbursing LS for reasonable and documented inspection, sorting costs, freight, unloading charges, and/or other reasonable expenses incurred due to nonconforming product.

**(4) Net Weight Guarantee:**

- Vendor 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, LS reserves the option to repack the product to comply with the purchase order standards at the Vendor's expense. The Vendor commits to reimbursing LS for all expenses related to the repackaging, or alternatively, reducing the cost of the product to account for the deficient weight, P.O. CREATION & SHIPPING.

**(5) Procurement Protocol:**

Binding purchases and shipment authorizations must be supported by (a) a valid LS Purchase Order (PO) number issued from LS ERP (or a written Work Order/Service Authorization for services) and (b) written confirmation from an LS Authorized Representative **using an @latinspecialties.com** email address.

**Vendor must then confirm (prior to shipment)** order acceptance and any transaction involving the release of product or payment instructions by replying in writing with the PO number **and copying LS Accounts Payable and the LS Head of Procurement (or their designees) using the contact information provided during vendor setup and/or previously verified information.** Any request to change ship-to, quantities, pricing, delivery dates, or payment/remittance information is not valid unless LS issues a revised PO or written change confirmation referencing the PO number and copied to LS Accounts Payable and the LS Head of Procurement (or their designees). **If any instruction appears unusual or inconsistent in any way, Vendor must pause and verify by calling the LS main line or the telephone numbers listed for LS in vendor setup materials on file, and must not rely on telephone numbers contained in the requesting email, message, or voicemail before shipping or acting.**

**(6) Non-Recognition of Certain Purchases:**

- LS does not solely authorize orders, releases, or changes via SMS/text, WhatsApp, social media, personal email accounts, or unrecognized URLs. Vendor must treat such communications as potentially fraudulent and must not ship, release product, redirect deliveries, or change payment/remittance details unless verified in accordance with the Procurement Protocol above.

**(7) FRAUD PREVENTION:**

- Vendor is responsible for verifying the validity of all LS orders, ship-to instructions, release requests, and change requests. If any instruction is received outside normal channels, appears unusual, or requests urgency or secrecy, Vendor must pause and verify by calling the LS main line or the telephone numbers listed for LS in vendor setup materials on file (including LS company principals, if known), and must not rely on telephone numbers contained in the requesting email, message, or voicemail before shipping, releasing product, or tendering freight. Vendor shall not rely solely on email display names, forwarded email threads, or caller ID.
- No changes to ship-to, quantities, delivery dates, pricing, pickup/delivery instructions, or other PO terms are valid unless confirmed in writing by an LS Authorized Representative and copied to LS Accounts Payable and the LS Head of Procurement (or their designees) using contact information provided during vendor setup and/or previously verified. LS will not accept Vendor banking/remittance changes communicated by text message, social media, or phone-only requests; Vendor must submit an updated ACH/Remittance Change Form in writing using LS's designated process. Any banking change is effective only after LS completes an independent verification call-back using the LS main line or the telephone numbers listed for LS in vendor setup materials on file (not numbers contained in the requesting email, message, or voicemail). Vendor is responsible for shipments made, product released, or payments redirected based on unverified or fraudulent instructions.

**(8) OVERSHIPPING:**

- In the event the Vendor delivers merchandise exceeding the quantity ordered on a valid P.O., the Vendor agrees not to hold LS responsible for such excess product. LS 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 Vendor agrees to hold LS harmless and without responsibility regarding the disposition of any excess product. Vendor commits to reimbursing Latin Specialties for any associated expenses.

**OPEN LOADS / REJECTED LOADS:**

- Authorization by Email; Binding Terms. For any rejected, distressed, or off-grade load tendered to LS for rework, remarketing, donation, disposal, and/or return coordination ("Open Load"), Vendor agrees that written communications (including email) that reference the load by PO/load/BOL or other identifier and state the material terms (including disposition plan and pricing parameters) constitute a binding Open Load authorization.
- Maximum Payable / Settlement Cap. Vendor agrees that the Open Load authorization establishes the maximum amount LS will owe for the Open Load (the "Maximum

Settlement Amount”), net of any LS handling, storage, rework, freight, and/or disposal charges communicated in writing. **LS shall not be obligated to pay more than the Maximum Settlement Amount regardless of any later Vendor invoice or other Vendor document; any excess is rejected and disputed.**

- Disposition Authority; Non-Response. If Vendor does not provide written disposition instructions within two (2) business day after LS transmits QC findings and a proposed disposition plan, Vendor authorizes LS to proceed with disposition in LS’s reasonable commercial judgment, consistent with applicable food safety requirements.
- Donation/Disposal; Release Upon Proof; Disposal Fees. If LS determines in good faith that product is not commercially saleable or is unfit for open-market sale, LS may donate or dispose of product. Upon providing reasonable proof (e.g., photos and a donation receipt and/or disposal/weight ticket), Vendor releases LS from further claims relating to such product or its value. Vendor agrees to reimburse LS for documented waste disposal fees and reasonable handling costs associated with disposal.
- Final Settlement Notice; Objection Window; Closeout. LS will transmit a written Final Settlement Notice by email summarizing disposition, supporting documentation, fees/costs, and the Maximum Settlement Amount. Vendor must submit any written dispute within two (2) business days after the Final Settlement Notice; otherwise, the settlement is deemed accepted and final. Vendor agrees Open Loads must be closed and invoiced within fourteen (14) calendar days after LS’s receipt of the product, and late invoicing does not increase LS’s obligation beyond the Maximum Settlement Amount or reopen settlement.
- Payment Terms / PACA Compliance (if applicable). Payment terms for Open Loads shall not exceed thirty (30) days from acceptance unless otherwise agreed in writing prior to the transaction.

**(9) P.O. AS A CONTRACT:**

- Acceptance of LS’s properly issued Purchase Order (P.O.) constitutes a binding contract to supply LS 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), subject to these terms and conditions. The Vendor may be held responsible for damages, including product replacement costs, sorting and re-packing 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, #7 and #8 to prevent fraud. In case of a dispute, LS may invoke mediation procedures for resolution.
- Electronic Communications; Binding Effect. Vendor and LS agree to conduct transactions and provide notices by electronic means, including email. Email communications between an LS Authorized Representative and a Vendor Authorized Contact that reference a PO, load, BOL, or other transaction identifier and state material terms (including price, quantities, ship-to, dates, credits/returns, disposition, and/or settlement amounts) are binding and may amend or supplement the transaction documents. Failure to object in writing within the time periods stated in these Terms constitutes acceptance.

**(10) PAYMENT AND BINDING PURCHASE REQUIREMENTS (GOODS AND SERVICES):**

No sale, delivery, or service performed for Latin Specialties LLC ("LS") shall be deemed valid, enforceable, or binding unless all of the following conditions are strictly satisfied:

**A. Authorization Requirements**

**Valid LS Authorization:**

Every transaction must be supported by a valid and sequential LS-issued **Purchase Order ("P.O."), Work Order, or Service Authorization Number**, generated through LS's ERP or procurement system.

Authorized Communication:

The order or authorization must be confirmed in writing by an authorized LS representative or officer using an official "@latinspecialties.com" email address, and the confirmation must copy LS Accounts Payable and the LS Head of Procurement (or their designees) using the contact information provided during vendor setup and/or shown on the PO.

**Pre-Work or Pre-Shipment Documentation:**

For goods: Prior to shipment, Vendor must provide shipping documentation (e.g., bill of lading, packing list, shipping notice) referencing the valid LS P.O. number. For payment, Vendor must provide proof of delivery and receiving documentation signed by an authorized LS receiver or designated representative.

For services: Vendor must receive a written Work Order or Service Authorization prior to commencing any work. **Verbal or text message approvals (only) are not valid.**

**Completion and Verification of Work:**

For any service-related transaction, the Vendor must obtain a **Service Completion Verification Form** signed and dated by an authorized LS employee confirming satisfactory completion of the work performed. This form shall serve as LS's acknowledgment that the work was completed but shall not, by itself, constitute acceptance of Vendor's invoice.

Any goods shipped or services rendered without full compliance with this Section 11 (including a valid LS P.O., Work Order, or Service Authorization number) and proper proof of delivery/work completion are performed at Vendor's sole risk and expense. LS may reject such goods or services and has no obligation to accept, receive, or pay for them unless LS confirms acceptance in writing.

## **B. Payment Procedures**

Unless otherwise agreed in writing, LS will initiate payment **no earlier than fourteen (14) days** after all of the following have occurred:

LS has received a valid invoice referencing the correct P.O., Work Order, or Service Authorization number;

The goods or services have been received or completed and accepted by LS; and

All supporting documentation—including the signed delivery receipt or Service Completion Verification Form—has been received by LS Accounts Payable.

Invoices lacking these supporting documents will not be processed for payment and may be returned to the Vendor for correction or verification.

If LS notifies Vendor of any product or service non-conformance or dispute, payment will be placed on hold until resolution. Payment for such transactions will only be made upon receipt of a modified final invoice or Credit Memo reflecting the resolution, and LS's acceptance of that document constitutes Vendor's acknowledgment that the matter is fully settled.

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## **C. Payment Method and Conditions**

(a) Standard domestic payments are made via ACH. Vendor must keep ACH details current and submit changes by telephone and email to LS Accounts Payable, followed by signed confirmation by an authorized officer.

(b) For international vendors, payment will be made by wire transfer.

(c) Vendor shall reimburse LS a USD \$30 bank fee per wire.

(d) Other payment forms (including checks) are accepted solely at LS's discretion and at Vendor's risk. LS is not responsible for payments lost, delayed, or misdirected due to postal issues or inaccurate vendor information.

### **(11) SKIPPED INVOICES; OLD OR UNREPORTED INVOICES:**

Invoices will always be paid on a first-in, first-out ("FIFO") basis.

Vendor must submit invoices no later than sixty (60) days of delivery/acceptance (or service completion) and each invoice must reference the correct LS PO, Work Order, or Service Authorization number along with proof of delivery or work completion as stated in 10.b (above). Invoices first presented more than ninety (90) days after delivery/acceptance may be rejected and are not required to be processed absent LS

written approval.

If Vendor believes any invoice has been skipped, short-paid, or not received, Vendor must notify LS Accounts Payable in writing within ninety (90) days of the invoice date and provide an updated statement of account.

As a condition to any obligation of payment, Vendor must provide contemporaneous supporting documentation for each allegedly unpaid invoice, including the invoice, the applicable PO/Work Order, and proof of delivery/acceptance (or signed service completion verification), and any other reasonable records requested by LS.

To the extent permitted by applicable law, any claim by Vendor arising out of or relating to a PO, invoice, delivery, service, shortage, or payment must be asserted in writing within one (1) year after the claim accrues. Nothing herein limits LS rights of setoff, chargeback, or dispute.

**(12) LOST OR STOLEN CHECKS:**

- Vendor agrees to deposit and/or cash all LS checks within 3 months of receipt. LS 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 Vendor agrees to promptly cash received checks and understands that LS will not be liable for any losses incurred due to checks not cashed within the stipulated time frame.

**(13) INSURANCE:**

- Vendor is responsible for maintaining insurance appropriate to its operations and providing Latin Specialties with a valid Certificate of Insurance (COI) evidencing, at minimum, Commercial General Liability coverage of \$5,000,000 USD per occurrence (or such other limits as LS may specify in writing for the vendor category). Where applicable, the COI shall name Latin Specialties LLC as Additional Insured. Contractors and freight providers must also maintain automobile liability, workers' compensation with statutory limits, and employers liability of not less than \$1,000,000 per accident. Vendor shall provide updated COIs upon renewal and upon request. LS may suspend activity on its premises if required coverage is not maintained.

**(14) FOOD SAFETY & ESG:**

- Vendor agrees to provide and maintain up-to-date ESG and Food Safety documentation as required by LS 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 items, 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 Vendor's items or actions. In case of a food safety lawsuit, the Vendor agrees to bear

the full cost of the recall and promptly reimburse LS for any associated expenses. LS reserves all rights to take legal action to recover damages incurred as a result of the food safety issue.

**(15) LEGAL MATTERS:**

- For all legal matters, the sole and exclusive venue for any dispute with LS shall be in Houston, Harris County, 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, Harris County, Texas, and the parties waive any objections to such venue. In the event of legal proceedings, LS reserves the right to seek remedies available under Texas law. The parties further agree that mediation may be used at the discretion of LS 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.

**(16) CONFIDENTIALITY, INFORMATION SECURITY & BUSINESS EMAIL COMPROMISE:**

- Confidentiality: Vendor may receive LS confidential or non-public business information (including pricing, customer/program information, forecasts, specifications, and operational details). Vendor will use such information solely to perform obligations to LS, limit access to personnel with a need to know, and protect it with reasonable safeguards. Additional confidentiality and data security requirements may be set forth in LS addenda or program documents.
- Information Security and Verification: Vendor will maintain reasonable administrative, technical, and physical safeguards appropriate to its operations, and will implement controls to reduce business email compromise and fraud risk. Vendor agrees to follow LS verification requirements for orders, ship-to changes, and remittance/banking changes, and to confirm unusual requests by call-back using the LS main line or the telephone numbers listed for LS in vendor setup materials on file (not numbers contained in the requesting email, message, or voicemail).
- Incident Notice: Vendor will notify LS promptly (and in any event within forty-eight (48) hours) of any suspected or confirmed compromise of Vendor systems, email accounts, credentials, or data that could affect LS orders, shipping instructions, invoicing, or payment information, and will cooperate in reasonable containment and remediation efforts.

**(17) LOGISTICS, CONTRACTORS & SERVICE PROVIDERS:**

- Authorization and Changes: Dispatch instructions, pickup/delivery details, access instructions, and any changes to ship-to, delivery locations, appointment times, or release instructions must reference the LS PO/load number and must be confirmed in writing by an LS Authorized Representative in accordance with the Procurement

Protocol (including copying LS Accounts Payable and the LS Head of Procurement or their designees). Provider shall not act on instructions received from unknown parties, personal email accounts, or messaging applications.

Documentation and Billing: Logistics and service providers must provide required documentation (including PODs, signed delivery receipts, and service completion verifications where applicable) promptly after completion. Invoices must reference the correct LS PO/load/work order number. Detention, accessorials, or extra charges require prior written approval from LS and must be supported by documentation.

On-Premises Conduct and Liability: Providers are responsible for the acts and omissions of their employees, representatives, and subcontractors. Providers must comply with all LS safety, security, and facility rules while on LS premises. Providers will be responsible for losses or claims to the extent caused by their negligence or willful misconduct, including personal injury and property damage arising from their operations.

**(18) TERMINATION :**

- LS reserves the right to terminate its business relationship with Vendor at any time, with or without cause, in its sole discretion, upon written notice. Termination is effective immediately unless LS states otherwise in the notice. Upon termination, Vendor shall cease performance unless directed otherwise by LS, and the parties shall cooperate to reconcile open, authorized transactions. LS retains all rights and remedies available under applicable law.

**(19) ORDER OF PRECEDENCE & ENTIRE AGREEMENT:**

In the event of any conflict or inconsistency, the following order controls: (1) the applicable LS Purchase Order, Work Order, or Service Authorization and any specifications referenced therein; (2) any LS program addenda or written requirements expressly applicable to the transaction; (3) these Vendor Terms and Conditions; and (4) Vendor's terms (including any quote, acknowledgment, invoice, or website/portal terms), which are rejected unless expressly accepted by LS in a writing signed by an authorized LS officer. These Vendor Terms and Conditions, together with the applicable transaction documents referenced above, constitute the entire agreement between the parties with respect to the transaction(s) and may be modified only by a writing signed by LS.

**NOTICES:**

All notices and formal communications to LS must be in writing and sent using the contact information provided during vendor setup and/or shown on the applicable PO/Work Order/Service Authorization. Notices are deemed given only when actually received by LS.

**(20) ASSIGNMENT & SUBCONTRACTING:**

Vendor may not assign, delegate, or subcontract any obligation under these terms or any PO/Work Order without LS's prior written consent. Any attempted assignment without consent is void. Vendor remains responsible for the acts and omissions of any approved subcontractors.

**(21) FORCE MAJEURE:**

Neither party shall be liable for delay or failure to perform caused by events beyond its reasonable control, including acts of God, natural disasters, war, terrorism, labor disputes, governmental actions, or transportation interruptions, provided that the affected party promptly notifies the other and uses commercially reasonable efforts to mitigate the impact. Force majeure does not excuse payment obligations for goods or services already delivered and accepted.

**(22) SEVERABILITY:**

If any provision of these terms is held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect, and the invalid or unenforceable provision shall be enforced to the maximum extent permitted by law.