

SUPPLY AND DISTRIBUTION AGREEMENT

DISTRIBUTION AGREEMENT

This Agreement is made between

JESMOND Holding AG, Baarerstrasse 8, CH 6300 Zug, Switzerland (UID: CHE-100.194.979)
(herein "**JESMOND**")

and

KMS (Khosro Medisa Salamat), a Company wholly owned by KMT (Khosro Medisa Teb) registered in **IRAN** at Unit 9,3rd floor, Jooybar St. Molla Sadra St. Vanak Sq. Tehran, Iran and with its production facilities with **Arya Tajhiz Ibn Sina**, a Company wholly owned by KMT (Khosro Medisa Teb), registered in **IRAN** at Unit10 ,3rd floor, Jooybar St. Molla Sadra St. Vanak Sq. Tehran, Iran („**KMS**")

1. DISTRIBUTOR

1.1. **JESMOND** appoints **KMS** as an *exclusive Distributor* for the products listed on the attached Schedule A ("Products") to *professionals*, and **KMS** accepts the nomination to act as exclusive Distributor, adhering to the terms and conditions of this Agreement.

2. TERRITORY

2.1. Distributorship rights shall be granted for the country as specified in Schedule A to this Agreement ("Territory").

3. TERM OF AGREEMENT

- 3.1. This Agreement shall commence when it is executed (undersigned) by **JESMOND** and, unless sooner terminated as hereinafter provided, will expire on October 31st, 2027. It shall be renewed by a written legal instrument signed by **KMS** and **JESMOND** for another consecutive period of five (5) years unless terminated according to the provision in article 15 of this Agreement.
- 3.2. Upon expiration or termination ("End of the Agreement"), **JESMOND** shall have the option to re-purchase **KMS's** inventory of Products, which is in its original packaging as delivered to **KMS**, and with at least one year left until the expiry date, at the invoice price paid to **JESMOND** by **KMS**. Upon such End of the Agreement, **JESMOND** shall have no further obligation and liabilities toward **KMS** other than the delivery of Products ordered by **KMS** and accepted by **JESMOND** in a written Order Confirmation prior to the End of the Agreement.

4. KMS'S STATUS AND RESPONSIBILITY

4.1. **KMS** declares himself an independent contractor and cannot obligate on **JESMOND's** behalf. Both parties agree that they intend to maintain a buyer-seller relationship and not create a commercial agency agreement relationship. As a consequence of this Agreement, **KMS's** benefit consists of the difference between **KMS's** purchase price for the Products from **JESMOND** and the price at which **KMS** resells such Products to its customers. Otherwise, **KMS** is not entitled to receive any payment or other benefit from **JESMOND**.

SUPPLY AND DISTRIBUTION AGREEMENT

- 4.2. **KMS** or its affiliated company (an entity under the control of **KMT**) will purchase its entire demand of Products solely from **JESMOND** or its affiliated company (an entity under the control of **JESMOND**) for resale to its customers: (i) in the original packages in which they were received from **JESMOND**; or (ii) repackaged by **KMS** provided that the repacking is done according to the "Schedule Repacking". Sample(s) of repacked Product shall be provided from **KMS** upon **JESMOND's** request free of charge.
- 4.3. **KMS** will: (i) use its best efforts in the development, promotion, sale, and service of Products in the Territory; (ii) advertise the Products to keep its customers and potential customers informed of the application, kind- and quality of the Products and trustworthiness of manufacturer.
- 4.4. **KMS** will purchase the minimum annual purchase volumes described in "Schedule B". Any underperformance will be reported to **JESMOND** as soon as **KMS** becomes aware of not reaching the objectives. Based on that, **JESMOND** and **KMS** will mutually discuss the reasons and possibly revise the yearly purchase volume at **JESMOND's** discretion.
- 4.5. **KMS** will provide and maintain such facilities and qualified personnel at its own expense, enabling it to render a high standard of service in the sale of Products to its customers in the Territory.
- 4.6. **JESMOND** warrants the Products under its standard terms and conditions of sale (Schedule C), and no other warranty is made. **JESMOND** may modify the terms and conditions from time to time to reflect changes in the legal environment. **KMS** will make no representations or warranties for the technical characteristics of the Products except as expressly authorized in writing by **JESMOND**.
- 4.7. **KMS** represents that it is familiar with the Products, their use and application. Accordingly, **JESMOND** shall continue to inform **KMS** about any modification concerning the application of the Products or their use or regulatory changes.
- 4.8. **KMS** will indemnify, defend and hold harmless **JESMOND** from all claims arising out of the improper use of the Products, any acts or omissions of **KMS** or third parties, whatever the legal basis may be, and including claims arising from **KMS's** breach of any of the provisions of this Agreement. **KMS** represents that it has, and covenants that it shall maintain, insurance (products and general commercial liability) with a reputable and solvent insurance company throughout the validity of this Agreement.
- 4.9. **KMS** represents and agrees that it and its employees and agents will comply with all applicable laws and regulations in the Territory and all applicable laws and regulations concerning its activities under this Agreement. That includes any bilateral agreements between the country of the Territory and Austria/Switzerland or EU laws.
- 4.10. The price and payment terms for the Products, set forth on "Schedule B", may be revised by **JESMOND**. They will initially be valid for twelve (12) months upon written communication by **JESMOND** to **KMS** or their respective affiliated companies. After that, prices will be according to the purchase confirmation communicated to **KMS** upon each order request.

5. REGISTRATIONS

- 5.1. Subject to Section 5.3, for the Products to be sold in the Territory, **JESMOND** agrees that it or its affiliate shall obtain and hold in coordination and the support of **KMS** the required registrations and permits.
- 5.2. If desired, **JESMOND** grants **KMS** the right to use a Private Label for selling the Product in the Territory, provided **KMS** shares sales data for each one sold in the Territory with **JESMOND** every quarter. Registrations and regulatory rights of Private Labels will remain the unencumbered property of **JESMOND**.
- 5.3. To obtain registrations in the Territory, **KMS** shall, together and under the lead of **JESMOND**, obtain the registration of the "Product(s)" following the support received from **JESMOND**. **KMS** will provide **JESMOND** with copies of all correspondence, with the government authorities, concerning the "Product(s)". Such registrations shall be

SUPPLY AND DISTRIBUTION AGREEMENT

based on **JESMOND**'s Scientific Information, and no other data will be used to support registration without **JESMOND**'s written approval. **KMS** agrees to keep confidential all information, data, etc., that **JESMOND** may provide to **KMS** in support of its registration(s).

- 5.4. In case additional tests are required by the local authorities which refer to a request of use unique for the Territory, **JESMOND** will participate on the costs if economically viable and after agreement has been reached upon test protocols and cost sharing between **KMS** and **JESMOND**.
- 5.5. **JESMOND** shall bear all officially documented fees and administrative charges of governmental bodies in connection with the initial product registration based on **JESMOND**'s trademarks or trade names.
All officially documented fees and administrative charges of governmental bodies in connection with the registration of **KMS**'s Private Label registration, including any annual registration maintenance or renewal fees, have to be borne by **KMS**.
- 5.6. **KMS** will immediately, upon expiry or termination of the Agreement, initiated by **KMS** or **JESMOND**, either transfer, assign or surrender same or any Registration(s) for cancellation, as **JESMOND** shall direct in writing.
- 5.7. **KMS** explicitly and without limitation accepts to support **JESMOND** and voluntarily without undue delay in filing with the appropriate governmental agency any statement required in connection with such transfer, assignment, surrender or cancellation, at **JESMOND**'s expenses, except the reason for termination is a breach of contract by **KMS**.
- 5.8. **KMS** will not have nor ask or be granted rights to file for any indemnity, loss of sales, or other sorts and any kind of compensation for the transfer except officially documented fees to be paid to comply with **JESMOND**'s request.

6. **KMS'S COMPENSATION**

- 6.1. **KMS** shall have the right to resell Products in the Territory at the prices, terms of payment and other conditions as defined by and at **KMS**'s discretion.
- 6.2. **KMS**'s total compensation for services rendered hereunder shall consist of the difference between the purchase price paid to **JESMOND** and the selling price received from its customers. **KMS** expressly agrees that **KMS** is not entitled to, and/or irrevocably waives and shall not make any claim for any compensation under any local distributor or agency law in the Territory. Any compensation to **KMS** shall only be as expressly provided herein.

7. **TECHNICAL AND SALES ASSISTANCE**

- 7.1. **JESMOND** (or **JESMOND**'s affiliate) will furnish **KMS** with the appropriate technical information and sales data relative to the Products. In addition, **JESMOND** (or **JESMOND**'s representative) will also assist, if necessary, **KMS** in effectively promoting the sale of the Products by employing technical marketing support in the form of information and advice.
- 7.2. If **JESMOND** (or **JESMOND**'s representative) or any affiliated company discloses to **KMS** confidential information, **KMS** agrees to retain it in confidence and not to use it or disclose it, except as expressly agreed in writing by **JESMOND** (or **JESMOND**'s affiliate).
- 7.3. **JESMOND** is prepared to help by the introduction of the product. If circumstances allow, by visiting the Territory once and participating on costs for a Seminar with the most important clients. Participation is based upon agreed budgets, timing and costs share coefficient.

SUPPLY AND DISTRIBUTION AGREEMENT

8. ORDERS

- 8.1. Orders will become legally binding upon receipt of **JESMOND's** (or **JESMOND's** affiliate) written order confirmation. If the requested delivery schedule cannot be met, **JESMOND** (or **JESMOND's** representative) shall consult with **KMS** to negotiate and agree on a mutually acceptable and feasible delivery schedule. **KMS** shall make all payments to **JESMOND** upon agreed conditions.
- 8.2. **KMS** shall provide **JESMOND** (or **JESMOND's** affiliate) with the best update on estimates of a forecast for each Product not later than January 10th of each calendar year for the coming two (2) calendar years and forecast of required deliveries in the upcoming 12 months. The annual estimates shall be reviewed and updated by **KMS** every half year or more frequently if required.
- 8.3. **KMS** shall place Product Purchase orders latest four (4) months prior to the requested date of delivery (Bill of lading date).
- 8.4. **KMS** shall be obliged to show the flexibility required to enable **JESMOND** the receipt of the Payment due and delivery destination as the circumstances require.

9. NON-PERFORMANCE

- 9.1. No liability shall result from the delay in performance or non-performance (other than the obligation to pay for Products shipped) caused by FORCE MAJEURE (as defined in "Schedule C") or circumstances beyond the party's reasonable control or has no economically viable alternatives.
- 9.2. **JESMOND** shall not be obligated under this Agreement to take any action or omit to take any action that **JESMOND** believes, in good faith, would cause it to violate any relevant law.

10. PATENTS

JESMOND may suspend performance or terminate this Agreement if it believes that the manufacture, sale or use of any Products sold hereunder may infringe any third-party patent. **KMS** will refer to **JESMOND** for handling any such claim.

11. JESMOND'S TRADEMARKS AND TRADE NAMES

- 11.1. **KMS** will not register or use **JESMOND's** trademarks, trade names, slogans, logos or packaging designs (or any similar trademarks, trade names, slogans, logos or packaging designs) except as specifically authorized in writing by **JESMOND** (or **JESMOND's** affiliate) in advance. Sale by **KMS** of Products in the packages in which **JESMOND** shipped them shall not be considered for purposes of this Subsection 11.1.
- 11.2. Should **JESMOND** (or **JESMOND's** affiliate) be required to prove the use of any of its trademarks, trade names, slogans, or logos which appear on the Products, **KMS** will cooperate with **JESMOND** (or **JESMOND's** affiliate) in establishing such proof. **KMS** will also collaborate to provide such other evidence as the authorities in the Territory may require, the costs of which shall be borne by **JESMOND**. For this purpose, **KMS** shall retain such evidence of use for at least seven (7) years from the date of receipt or origination of such evidence by **KMS**. The obligations in this Subsection 11.2 shall continue for seven (7) years beyond the End of the Agreement.
- 11.3. **KMS** agrees to submit to **JESMOND** (or **JESMOND's** affiliate) for prior approval representative examples of product labels, promotional pieces, advertising, and technical narrative in which any **JESMOND** (or **JESMOND's** affiliate) trademark, trade

SUPPLY AND DISTRIBUTION AGREEMENT

name, slogan, or logo is used. **JESMOND** shall approve in writing within ten (10) working days after receiving such requests. *If after ten (10) days, **JESMOND** has not rejected or corrected the request it is considered approved.*

- 11.4. At the end of the Agreement, **KMS** shall promptly: (i) stop using any of **JESMOND**'s (or **JESMOND**'s affiliate) trademarks, trade names, slogans, logos or packaging designs and any language stating or suggesting that **KMS** is a distributor of the Products; (ii) have the continuing obligation assisting **JESMOND** (or **JESMOND** affiliate), without compensation, for all rights **KMS** has otherwise obtained or may obtain for any **JESMOND** (or **JESMOND** affiliate) trademark, trade name, slogan, logo or packaging design and shall take such other action as **JESMOND**(or **JESMOND**'s affiliate) may require to confirm **JESMOND**'s (or **JESMOND** affiliate's) ownership and the connected goodwill.
- 11.5. Article 11 applies to trade names and trademarks registered by **JESMOND**, its subsidiaries or affiliates.

12. **KMS'S TRADEMARKS AND TRADE NAMES**

- 12.1. **JESMOND** shall not register or use any of **KMS**'s (or **KMS**'s affiliates) existing or similar trademarks, trade names, slogans, logos or packaging design, except if expressly authorized in writing by **KMS** (or **KMT**'s affiliate) in advance.
- 12.2. Should **KMS** (or **KMT**'s affiliate) be required to prove the use of any of its trademarks, trade names, slogans, or logos which appear on the Products, **JESMOND** will cooperate with **KMS** (or **KMT**'s affiliate) in establishing such proof.
- 12.3. At the end of the Agreement, **JESMOND** shall promptly (i) stop using any of **KMS**'s (or **KMT**'s affiliate) trademarks, trade names, slogans, logos or packaging designs and any language stating or suggesting that **JESMOND** is a distributor of the Products; (ii) have the continuing obligation to assign to **KMS** (or **KMT**'s affiliate), without compensation, all rights of record or otherwise that **JESMOND** has obtained or may obtain for any **KMS**'s (or **KMT**'s affiliate) trademark, trade name, slogan, logo or packaging design and shall take such other action as **KMS** (or **KMT**'s affiliate) may require to confirm **KMS**'s (or **KMT**'s affiliates) ownership and the related goodwill.
- 12.4. Article 12 applies to trade names and trademarks registered by **KMS**, its subsidiaries or affiliates.

13. **FORMULATION AND REPACKING OF PRODUCTS**

- 13.1. No rights to re-formulate the Products are granted under this Agreement.
- 13.2. Rights for repacking Products are granted if followed according to the "Repackaging Schedule" and label accepted by **JESMOND** or **JESMOND**'s affiliate.

14. **WAIVER**

- 14.1. Invalidation, waiver or breach of any of the provisions in this Agreement shall not be interpreted as waiver or invalidation of other provisions in this Agreement.

15. **TERMINATION**

- 15.1. Either party may terminate this Agreement without cause upon at least twelve (12) months written prior notice.

SUPPLY AND DISTRIBUTION AGREEMENT

- 15.2. Either party may terminate this Agreement upon at least thirty (30) days written notice should the other party fail to remedy any alleged breach after receiving the corresponding notification.
- 15.3. If either party enters or is placed in bankruptcy, receivership or liquidation, is nationalized, becomes insolvent or makes an assignment for the benefit of its creditors, this Agreement can be terminated immediately by written notice.
- 15.4. If **KMS** breaches any provisions of Article four (§4) hereof, **JESMOND** may immediately terminate this Agreement. **KMS** shall indemnify **JESMOND** against any and all claims, losses or damages arising from or related to such breach or the cancellation of this Agreement.
- 15.5. **JESMOND** may immediately terminate this Agreement upon a significant change in the ownership, political unrest, or geographical location outside the Territory of **KMS** or assignment that **JESMOND** deems opposed to its interests.
- 15.6. **JESMOND** can terminate this Agreement without any compensation if the active ingredient supplier does not register the concerned active ingredient or is terminating the data support (data access or supply of active ingredient) towards **JESMOND**.
- 15.7. If **JESMOND** and **KMS** cannot agree on a revised Yearly Purchase Volume, **JESMOND** has the right to terminate the Agreement giving ninety (90) days prior written notice. Such can be accomplished either entirely or on a product-specific and/or Territory-specific cancellation basis, considering adequate grace periods to allow **KMS** to sell off stocks.
- 15.8. Neither party, by reason of the termination or expiration of this Agreement in conformity with the terms thereof or the non-renewal of this Agreement for any or all of the Products, shall be liable to the other party for any compensation whatsoever.

16. DISPUTES AND APPLICABLE LAW

- 16.1. All disputes arising out of or regarding the present contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed following the said Rules. The place of arbitration shall be Zurich. The language of the arbitration shall be English. The arbitral tribunal shall decide in accordance with Swiss Substantive law.
- 16.2. Any provision of this Agreement that contradicts the law of any state or region, including the European Union law, shall be deemed severable and shall not invalidate the remaining provisions of this Agreement. **JESMOND** and **KMS** shall, in such case, endeavour to replace the invalid term(s) with the valid term(s) that economically come(s) nearest to the invalid term(s).
- 16.3. Notwithstanding the dispute resolution provisions above, the Parties agree that **JESMOND** will not need to resort to a court decision before exercising any remedies granted herein.

17. ASSIGNABILITY

Neither party may assign this Agreement or any right or obligation under this Agreement, and any purported assignment shall be void and ineffective. However, **JESMOND** may assign its rights and delegate its performance hereunder to any affiliated company or to any successor in interest or transferee of that portion of **JESMOND**'s business that is directly involved in the performance of this Agreement.

SUPPLY AND DISTRIBUTION AGREEMENT

18. **JESMOND STANDARD TERMS AND CONDITIONS: AMENDMENT: EFFECTIVENESS**

- 18.1. The terms and conditions set forth herein and on the attached "Schedule C" have been read carefully before execution and expressly made part of this Agreement. No other terms and conditions whatsoever and no modification or release shall be effective unless agreed to in writing and executed by **JESMOND** and **KMS**. In the event of any direct conflict between the provisions of this Agreement and "Schedule C", this Agreement shall prevail.
- 18.2. This Agreement may only be modified in writing if signed by both parties. No amendment or modification may be made to the standard purchase order, invoices, bill of lading or other transactional documents delivered to **JESMOND** in connection with the purchase and sale of Products hereunder.
- 18.3. This Agreement shall be executed in two originals (in person or by other means) and shall not be binding until executed by both parties.

19. **PRIOR AGREEMENTS**

This Agreement supersedes and terminates all existing or prior agreements or arrangements between **JESMOND** and **KMS** regarding the Products in the Territory, except for the written Confidentiality Agreement (CDA) and Material Transfer (MTA) and Evaluation Agreement if signed beforehand.

20. **NOTICE**

Any notice required or permitted herein may be electronically or post delivered, adequately addressed to the party to be notified at the address set forth above or at the last known address given by such party to the other party and shall be deemed delivered when so transmitted.

21. **DISCLOSURE AND CONFIDENTIALITY**

- 21.1. This Agreement or its terms and conditions may have, by law, to be disclosed to governmental agencies and regulatory authorities. Each party consents to such disclosure by the other party if so required. **JESMOND** shall also have the right to disclose the Agreement, under cover of an agreement of confidentiality, if reasonably necessary to further **JESMOND**'s business interests.
- 21.2. Enabling **KMS** to perform hereunder, confidential and/or proprietary information may be disclosed or otherwise made available to **KMS** in writing, electronically, orally or in tangible forms, such as data, product samples, or revealed by direct observation during visits to **JESMOND** facilities ("**JESMOND** Information"). "**JESMOND** Information" shall also include **JESMOND**'s interest in the Field and the terms of this Agreement.
- 21.3. **KMS** agrees that by virtue of this Agreement, it has entered into a confidential relationship with **JESMOND** (and **JESMOND**'s affiliate) and that **KMS** will hold **JESMOND**'s (and **JESMOND**'s affiliate's) information in confidence and neither disclose any **JESMOND** (and **JESMOND**'s affiliate) Information to any third person nor use it for any purpose other than to provide the Services to **JESMOND** unless the prior written consent of **JESMOND** is obtained. The obligations under this Article 21 shall continue until such **JESMOND** Information becomes publicly known or available through no fault or act of **KMS**.

SUPPLY AND DISTRIBUTION AGREEMENT

22. GOVERNING TEXT

22.1. This Agreement is entered into in the English language. Should a translation of this Agreement into any other language be required, the English text shall govern unless prohibited by the Territory laws but be dominant in case of a judicial dispute.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed.

Khosro Medisa Salam

JESMOND Holding AG

Signature

Siamak Narimani
Managing Director

Signature

Juerg Thoeni
CEO

Date

Date

SUPPLY AND DISTRIBUTION AGREEMENT

SCHEDULE A

Exclusive Distributorship rights are granted for the use in professional applications conducted in the Territory of the Islamic Republic of Iran.

Exclusivity is dependent upon fulfilling the agreed minimal annual purchase quantities.

SUPPLY AND DISTRIBUTION AGREEMENT

SCHEDULE B

DISCLAIMER

The trade name BOMBEX Pebbys & BOMBEX MF are sole property of **JESMOND**

	Minimum Yearly Purchase Volumes in order units and kg *				
Product BOMBEX **	Year 1	Year 2	Year 3	Year 4	Year 5
<u>PEBBYS</u> (Permethrin 250 g/L CS)	kg	kg	kg	kg	kg
Units of 1.000 kg IBC	6	7	8	9	10
<u>MF</u> (Phenothrin 100 g/L CS + Prallethrin 10 g/L EW / ZW)	kg	kg	kg	kg	kg
Units of 1.000 kg IBC	2	2	3	3	4
<u>Total min. annual orders</u>	8.000	9.000	11.000	12.000	14.000

* For purposes of this Agreement, a year shall be a twelve (12) month period beginning on JANUARY 1st and ending on DECEMBER 31st

** **JESMOND** (or **JESMOND's** affiliate's) trademark.

To avoid doubt, **KMS** acknowledges that Clauses 4.10, 15.6 and 15.7 of this Agreement apply.

Khosro Medisa Salamat

JESMOND Holding AG

Signature

Siamak Narimani
Managing Director
Date of Execution:

Signature

Jürg Thöni
CEO
Date of Execution:

SUPPLY AND DISTRIBUTION AGREEMENT

Product BOMBEX*	Pallet size in Kg	Packed in	Price in EUR p. Kg	Conditions
PEBBYS (Permethrin 250 g/L CS)	1.000	1.000kg IBC	59.00	CIF JESMOND warehouse c/o Saexinger, Vienna, Austria; incl. transport label and CoA
			120.00	
	640	32 x 20 kg containers	61.00	
	320	16 x 20 kg containers	63.00	
MF (Phenothrin 100 g/L CS + Prallethrin 10 g/L EW / ZW)	1.000	1.000kg IBC	72.00	
			120.00	
	640	32 x 20 kg containers	74.00	
	320	16 x 20 kg containers	76.00	

* **JESMOND** (or **JESMOND's** affiliate's) trademark.

Payment Terms:

- A) CAD (cash against delivery)– upon receipt of notice that the Product is ready for pick up by **KMS** or
- B) 60% down payment upon receipt of pro forma invoice
40% Sixty (60) days from invoice date – upon receipt of notice that the Product is ready for pick up by Distributor

Incoterms:

CIF **JESMOND** warehouse c/o Saexinger, Vienna, Austria (Transport can be organized by **JESMOND** and charged separately)

To avoid doubt, **KMS** acknowledges that Clauses 4.10, 15.6 and 15.7 of this Agreement apply.

Khosro Medisa Salamat

JESMOND Holding AG

Signature

Signature

Siamak Narimani
Managing Director
Date of Execution:

Jürg Thöni
CEO
Date of Execution:

SUPPLY AND DISTRIBUTION AGREEMENT

SCHEDULE C

Terms and Conditions of Sale of JESMOND Holding AG

GENERAL TERMS

All orders are based on the rules stipulated in the Terms and Conditions of Sale of **JESMOND** Holding AG and its affiliates, including **JESMOND** Bioscience GmbH ("SELLER") as set forth hereunder. The terms of purchase of the clients of SELLER shall not prevail over these terms and conditions under any circumstances.

CONCLUSION OF CONTRACT

Offers and prices are without commitment. Orders are considered binding only after written confirmation of the SELLER or if the SELLER processes the order. SELLER shall confirm oral agreements in writing to be effective.

PRICES

Prices are net and exclusive of any applicable taxes unless otherwise stated. In addition, the client must bear any official charges or acts of authorities (hereinafter referred to as "BUYER"). Unless stated otherwise, the packaging material is not returnable.

TERMS OF PAYMENT

Unless otherwise stated, all payments shall be made within thirty (30) days of delivery to the SELLER's bank account as indicated on the order documentation without deductions or charges.

If the date of required payment is exceeded or in case of delayed acceptance or "Terminverlust" (as defined below), SELLER shall be entitled to charge default interest and compound interest in the amount of 8 percentage points above the base rate of the Swiss national bank. In case of default, BUYER shall be obliged, in addition to default interest, to reimburse all procedural and non-procedural costs of collection, which shall also include the fees of a lawyer commissioned by SELLER.

In the event of any failure by BUYER to make payment on the due date, any loss suffered by SELLER primarily due to depreciation of currency after such date shall be recoverable from BUYER.

"Loss of supply slot/Terminverlust" shall be deemed to occur if the contracting party's payment under the contract is delayed. In this case, the SELLER may immediately declare the entire remaining invoice amount due for payment.

Moreover, the total residual claim of the SELLER shall immediately become due for payment without regard to payment periods if i) execution is levied on the assets of BUYER with no success, if (ii) a forced sale of real estate or receivership is allowed, or if (iii) creditworthiness is otherwise reduced (in particular in case insolvency proceedings are opened). In these cases, SELLER shall be entitled to render outstanding services only against advance payment or furnishing of security or to rescind the contract without granting a grace period or to claim damages on the grounds of non-performance.

Setting-off of claims against counterclaims or retention of payments for whatsoever reasons by BUYER shall not be permitted unless expressly agreed.

RETENTION OF TITLE

The delivered object of purchase shall remain the SELLER's property until full payment of the purchase price (including value-added tax, default interest and costs). If BUYER does not (co-)own the principal item, BUYER hereby assigns all claims vis-à-vis the owner of the main article to secure SELLER's claims.

PASSING OF RISK

Irrespective of the place of performance, benefit and risk shall pass to BUYER upon dispatch of the object of purchase or parts thereof from SELLER's warehouse unless otherwise agreed in writing. In case of delayed dispatch from SELLER's plant or warehouse due to circumstances the BUYER is responsible for, or if collection by BUYER has been agreed, the risk shall pass to the BUYER upon notification of readiness for delivery or shipment. The BUYER shall bear the risk of transport, even if delivery carriage paid was agreed with its own or third-party means of transport. Transportation insurance shall only be taken out upon written advice by BUYER and only on BUYER's account by SELLER. The SELLER reserves the right to route shipments.

FORCE MAJEURE

If by reasons of force majeure, including but not limited to lack of stock, fire, explosion, war, hostilities, epidemic, quarantine restrictions, labour disputes, labour shortages, unexpected increase in the production costs and/or raw materials costs, transportations embargoes or failure or delays in transportation, inability to secure necessary fuel, raw materials, equipment, component parts or machinery, natural disasters or acts of any government, including changes of legislation or any delivery problem due to its suppliers, SELLER is prevented from carrying out its obligations concerning Orders/Contracts, SELLER shall not be liable in any way for failure to perform or delay in performing their respective obligation under these Terms if such failure or delay is due to circumstances beyond the reasonable control of that party.

DISCLAIMER OF WARRANTIES

There are no warranties which extend beyond the description in the Agreement and/or order, and the SELLER shall make no warranty of any kind, express or implied, whether of fitness or against infringement or otherwise, except that the materials sold hereunder shall be of merchantable quality and shall comply with the specifications set forth

SUPPLY AND DISTRIBUTION AGREEMENT

and/or attached; and BUYER shall assume all risk whatsoever as to the result of the use of the materials purchased, whether used singly or in combination with other substances. Notice of defects shall be given by BUYER immediately, but not later than 20 (twenty) days after delivery of the object of the purchase or after the fault has become apparent, by registered letter stating the nature and scope of the defect; otherwise, any claims shall be excluded. If notice of deficiency is not given or not given on time, the goods shall be deemed accepted.

LIMITATIONS OF CLAIMS

SELLER shall only be liable for intent and severely gross negligence. SELLER's liability for lost profit or consequential damage shall be excluded. BUYER shall prove cause, illegality and fault. Claims for compensation shall become time-barred within six months of knowledge of the damage and of the party who caused the damage, in any case one year after passing of the risk.

The amount of any claim raised by BUYER shall not exceed the purchase price of the materials in respect of which damages are claimed.

PATENTS

SELLER shall not be responsible for BUYER's infringement of patents owned by others; the sole responsibility regarding infringement of any patents lies with the BUYER, who agrees to assume all and any consequences thereof.

EXCUSES FOR NON-PERFORMANCE

If the manufacture, transportation, or delivery of any materials covered hereby is prevented, restricted or interfered with by reasons of any event or cause whatsoever beyond the reasonable control of the party so affected, SELLER shall be excused from making deliveries hereunder to the extent of such prevention, restriction or interference. SELLER may allocate its available supply of any such material among its customers in such manner as SELLER deems proper, without thereby incurring liability for failure to perform this contract. SELLER shall inform BUYER upon such delay.

PRODUCT LIABILITY

Rights of recourse shall be time-barred within three years of obtaining knowledge of the damage and of the party who caused the damage, however not later than five years of putting the Product into circulation.

APPLICABLE LAW, PLACE OF JURISDICTION, PLACE OF PERFORMANCE

This contract shall be construed, and respective rights and duties of BUYER and SELLER shall be determined at the competent courts of Switzerland, according to the laws of Switzerland. The language to be used in the proceedings shall be English.

If BUYER's registered office is outside the European Union (EU) or the EFTA States, all disputes arising out of or regarding the present contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The place of arbitration shall be Zurich. The language of the arbitration shall be English. The arbitral tribunal shall decide in accordance with Swiss Substantive law.

MISCELLANEOUS

No statements, whether in oral or written form, made prior to at the time of receiving this Agreement, shall vary or modify the written terms hereof; and neither party shall claim any modification or rescission from any provision hereof unless such modification or rescission is in writing and signed by the other party.

Failure of SELLER to exercise any right under this contract shall not be deemed a waiver thereof.

Unless otherwise agreed, all deliveries by SELLER shall be FCA (Incoterm: FCA or CIF for Overseas clients).

Agreed on (Date):

Khosro Medisa Salamat

Signature

Siamak Narimani
Managing Director

SUPPLY AND DISTRIBUTION AGREEMENT

SCHEDULE - REPACKING

Repacking

KMS will, at an appropriate and properly licensed facility, repack bulk Product supplied by **JESMOND** (or **JESMOND**'s affiliate). The packaging will meet the packing and label specifications as per valid national or EU registration and regulations. **KMS** will ensure that the repacking complies with **JESMOND**'s Standard Operating Procedure' Filling of Capsule Suspensions' which is part of this SCHEDULE-REPACKING

KMS may use a third party, whereby also such facility must be licensed, and the facility meet all required regulations. **KMS** will remain the responsible party to ensure that all national, EU and other regulations, particular for the Product (s) supplied, are adhered to.

Title to Product

Title to all Product(s)- either in bulk form, prior to repacking, or upon filling into final packages -- shall be always vested in **KMS**.

Inspection of goods received:

KMS shall examine Product(s) supplied by **JESMOND** (or **JESMOND**'S affiliates) for transport damages and shortages upon arrival. Obvious transport damages and shortages shall be noted in the consignment papers and signed by the driver of the transport vehicle. **KMS** shall take photographs of obvious damage and send them by mail to the supplying affiliate. Concealed transport damages shall be reported to the supplying affiliate on detection but latest twenty (20) days after receipt of delivery.

Quality Control

- a) The Product repacked shall match the quality of the bulk Product and be free from biological or other contamination and defect.
- b) **KMS** shall test samples of packed products at random for quality compliance and legal requirements of packing specifications. **KMS** shall collect retain samples of the formulation and maintain adequate records of the batch to be able to trace any finished goods to the Bulk formulation and component batch numbers. **KMS** shall not, without the express written authorization of **JESMOND**, blend batches of the bulk formulation.
- c) **KMS** shall for QC purposes and upon request, provide **JESMOND** with samples free of charge. **JESMOND** or its supplying affiliate shall have the right to conduct on-site inspections of **KMS**'s premises, to audit **KMS**'s facilities records. **KMS** shall promptly permit **JESMOND** access to **KMS**'s Facility for such purposes.
- d) If internal QC results fail to conform to the Product specifications, **KMS** shall promptly advise **JESMOND** and shall not sell Product from such batch without the express written consent of **JESMOND**. Product which is defective as a result of **KMS**'s error or fault shall be reworked by **KMS** if possible and feasible or shall be promptly destroyed by **KMS** at its sole cost and expense and in accordance with all government regulations.
- e) **KMS** will ensure that in no event **JESMOND** products are contaminated with other products. **KMS** will use good manufacturing practices to ensure that no cross contamination can take place.

KMS Facility Warranties.

KMS hereby covenants, represents, and warrants that throughout the duration of this Agreement:

SUPPLY AND DISTRIBUTION AGREEMENT

- a) Each Facility, and all operations by **KMS** authorized or contemplated by this Agreement, will be conducted in strict accordance with all national, federal, state, and local laws, statutes, regulations, rules, orders, permits, authorizations and consents and the like (collectively, "Laws") applicable thereto and with all terms and conditions of this Agreement; and without intending to limit the foregoing,
- b) that Every bulk tank, totes, drums located at the Facility shall be properly labelled, maintained, and protected against all risks (including risks of direct or indirect Product contamination) and in accordance with applicable Laws,
- c) and any residues and wastes generated by **KMS** in the course of operating hereunder shall be disposed of in accordance with applicable Laws.

Indemnities

KMS shall indemnify, defend and hold harmless **JESMOND** and its supplying affiliates, its stakeholders, and agents from and against any and all liabilities, damages, obligations, penalties, fines, claims, judgments, demands, assessments, encumbrances, costs and expenses (including, without limitation, reasonable attorneys' fees), suits, investigations, proceedings, audits and causes of action resulting from, related to, or arising out of (a) any representation or breach of warranty or nonfulfillment (whether by act or omission to act) of any of the covenants or agreements of **KMS** in this Agreement, or (b) **KMS**'s negligence or other tortious acts, under applicable Environmental Laws in connection with or any way relating to (i) any of the Facilities, or (ii) **KMS** generation, storage, treatment or disposal of any wastes (including special wastes), or reusable or recyclable material, in connection with its performance under this Agreement.

Insurance

Throughout the duration of this Agreement, **KMS** shall carry comprehensive product liability insurance with a sufficient cover (normally € 3,000,000) per occurrence with a reputable insurer.

Labels

KMS shall apply labels on the Product only as approved by **JESMOND** (or **JESMOND**'s affiliate) and consistent with the local regulatory requirements. **KMS** shall provide and assist with label text corrections and printing of labels. **KMS** shall have no right to apply **JESMOND** (or **JESMOND**'s affiliate) labelling on any product not purchased from **JESMOND** (or **JESMOND**'s affiliate) under this Agreement; any use of **JESMOND** (or **JESMOND**'s affiliate) labels inconsistent with this Agreement shall be a material breach of this Agreement as well as other applicable law, for which **KMS** shall be liable.

Khosro Medisa Salamat

JESMOND Holding AG

Signature

Signature

Siamak Narimani
Managing Director
Date of Execution:

Jürg Thöni
CEO
Date of Execution: