

CO-BRANDING AGREEMENT

THIS AGREEMENT is made the 28 day of September 2017.

THE UNDERSIGNED:

- (1) **STEPAN SPECIALTY PRODUCTS LLC**, a Delaware limited liability company, having its main office at 100 West Hunter Avenue, Maywood, New Jersey 07607, and hereinafter referred to as “Company”;
- (2) IAFNETWORK SRL, an Italian company, having its main office at Via Salvella 43 II traversa 25038 Rovato BS, and hereinafter referred to as “Customer”.

HEREBY AGREE AS FOLLOWS:

Article 1. Definitions

For the purpose of this Agreement, the terms listed below shall be defined as follows:

Agreement	this Co-Branding Agreement including all its schedules, exhibits, annexes and any amendments.
Co-Branding Manual	the manual attached hereto as <u>Schedule 1</u> .
Consumer Products	the products manufactured by Customer for sale to the ultimate consumer, containing Stepan Product, utilising Trademark and listed on <u>Schedule 2</u> hereto.
Parties	the parties to this Agreement.
Stepan Product(s)	the products listed on <u>Schedule 4</u> hereto.
Territory	the geographic area where the Consumer Products are sold, as further defined in <u>Schedule 3</u> hereto.
Trademark(s)	The Company’s trademark(s), trade names or trade dress listed on <u>Schedule 4</u> hereto.

Article 2. Object of Agreement

- 2.1 Customer has been sourcing, and is continuing to source, Stepan Product from Company for use as an ingredient in Consumer Products.
- 2.2 In order to communicate the consistently high quality of both Stepan Product and the Consumer Products to the consumer, the Parties, by virtue of this Agreement, intend to provide, subject to the terms and conditions set forth herein, Company's Trademarks for the use by Customer along with Customer's own trademarks and in connection with the Consumer Products.

Article 3. The Trademarks

- 3.1 Company hereby represents and warrants that it owns all rights to the Trademarks and that it has full legal power to license use of the Trademarks to Customer. Customer hereby represents and warrants to Company that it owns all rights to Customer's trademarks, trade names, trade dress and copyrights relating to its Consumer Products.
- 3.2 Subject to the terms and conditions of Article 4 and this Agreement, Company hereby grants Customer a royalty-free, non-exclusive, non-transferable right and license to use the Trademarks in the Territory on Consumer Products. Customer shall only use the Trademarks in accordance with the terms of this Agreement and Customer shall not engage in other use of the Trademarks without the prior written approval of Company, which shall be provided in Company's sole discretion.
- 3.3 Customer shall have no right to sublicense any right or license under this Agreement with respect to any of the Trademarks. Except as expressly provided herein, nothing in this Agreement shall give Customer any other right, title or interest in any of the Trademarks and all goodwill resulting from Customer's use of the Trademarks shall inure solely to Company. Customer shall cease any use of the Trademarks immediately upon the expiration or termination of this Agreement pursuant to Article 7.
- 3.4 Customer shall not directly or indirectly, at any time during or after the Term of this Agreement, register, attempt to register, claim any interest in, contest the validity of, or take other actions that adversely affect Company's rights in any of

the Trademarks (including, but not limited to, any act that may infringe or lead to infringement of any of the Trademarks).

Article 4. Restrictions

- 4.1 Customer shall use the Trademarks only for Consumer Products. Customer may not use the Trademarks in connection with the sale or manufacture of products which could function as a substitute for, or in fact be substituted for, Stepan Product.
- 4.2 The Trademarks will be used solely in the form prescribed by Company and only in their entirety, so that all the words are clearly visible on the packaging of the Consumer Products. Customer shall submit to Company, for Company's prior written approval, which approval shall not be unreasonably withheld or delayed, all materials, whether Consumer Product labelling/packaging materials or promotional/advertising materials or otherwise, containing the Trademarks, or otherwise referring to Company, Stepan Product or Trademark in any way, for Company review and approval prior to use, sale or distribution by Customer. Company shall own all forms of the Trademarks used by Customer and all forms of the Trademarks are subject to the terms of this Agreement.
- 4.3 Customer shall not use or register any trademark that is identical to, or likely to be confused with, any of the Trademarks and Customer shall not combine the Trademarks with other marks not owned by Company.
- 4.4 Customer shall not modify the Trademarks, including any new use, stylization or redesign of any of the Trademarks, without Company's prior written approval.
- 4.5 Customer shall not use any trademark that is identical to, or likely to be confused with, any of the Trademarks as part of its company name or the company name of any of its related companies or affiliates, nor shall Customer, without the prior written approval of Company, use any of the Trademarks as part of an e-mail or website address.
- 4.6 Customer shall include the proper trademark notice, including without limitation, a "TM" superscript or the letter "R" enclosed with a circle (i.e., ®) with the mark, depending on the registration status of the Trademark used, as advised by Company.

- 4.7 Customer hereby warrants and represents to Company that its Consumer Products, and the labelling thereof and advertising and promotions therefor, are in compliance with all applicable local, state, and national laws, statutes, regulations, ordinances, guidance, or directives, including but not limited to applicable regulations of the U.S. Food and Drug Administration (“FDA”), including but not limited to those governing permissible claims on Consumer Products. Customer also herein warrants and represents to Company that its Consumer Products conform to reasonable quality control standards.
- 4.8 Customer shall submit to Company for its prior review and written approval, which shall not be unreasonably withheld or delayed, copies of all Consumer Product labelling, advertising, and promotional material of any sort that will contain or refer to Trademark in the Consumer Product. Customer shall make no claims on its Consumer Products regarding Trademark whatsoever without having received prior written approval from Company. Customer shall not disparage any products associated with any of the Trademarks and Customer shall not take any acts that negatively affect Company’s rights in the Trademarks.
- 4.9 If Customer’s use of any of the Trademarks fails to comply with the terms and conditions of this Agreement or other trademark usage guidelines that may be provided in writing to Customer from time to time, Customer will promptly remedy such deficiencies upon receipt of written notice thereof from Company.
- 4.10 Customer shall promptly provide notice to Company of any and all applications for registration of potentially conflicting trademarks, as well as any infringements, imitations, and illegal or improper uses of any of the Trademarks that come to Customer’s attention.

Article 5. Verification and Auditing

- 5.1 Customer shall at all times keep adequate records, including samples of each batch or lot of the Consumer Products, suitable for establishing its compliance or non-compliance with the Co-Branding Manual. Customer shall keep such records and samples for the period required by law or regulation, or if there is no such law or regulation, for no less than two years after production or six months after expiry/best-before date of the respective batch or lot, whichever is longer. At the request of Company, Customer shall provide to Company full access to such records and samples, including but not limited to the opportunity to have the samples analysed at Company’s discretion.

- 5.2 To comply with applicable trademark laws regarding the nature and quality of the goods sold by Customer under the Trademarks, Customer agrees that it shall only use the Trademarks in connection with Consumer Products that meet the standards historically maintained in connection with the Trademarks, and in no event less than as the level of quality that is generally accepted in the industry. Company may furnish Customer with written standards of quality for the Consumer Products from time to time and Customer agrees to meet the standards of quality listed therein. Customer shall permit Company, its officers and agents at all times upon reasonable notice to enter and inspect and audit the plant facilities, equipment and methods used by Customer in the preparation, production, packaging, storage and handling of Trademark and Consumer Products.
- 5.3 The costs of analysing the samples as described in Section 5.1 and the cost of auditing the facilities as described in Section 5.2 shall be borne by Company, unless the analyses or audits establish a non-compliance with the provisions of the Co-Branding Manual by Customer, in which case they shall be borne by Customer, without prejudice to any further rights that Company may have in connection with said non-compliance.
- 5.4 Customer shall immediately notify Company if any national or local regulatory body or any other government authority, including but not limited to the FDA, schedule, or without scheduling begin, an inspection of Customer's facility. In addition, Customer shall immediately provide to Company copies of correspondence to or from such regulatory bodies or governmental authorities, including but in no manner limited to Warning Letters from FDA, that relate to the Consumer Products.

Article 6. Targets and Marketing Support

- 6.1 Both Parties shall agree on certain volume and turnover targets, as described in Schedule 5, which will determine the level of marketing support from Company.

Article 7. Term and Termination

- 7.1 This Agreement shall come into force upon signature by both Parties and shall be valid unless the Agreement is terminated or expires under this Article ("Term").
- 7.2 Either Party shall have the right to terminate this Agreement for any reason at the end of any calendar month, by providing the other with written notice of such

termination, which shall be effective three (3) months after receipt of such termination notice.

- 7.3 Either Party shall have the right to terminate this Agreement in the event of a material breach by the other Party, after having put the breaching Party on written notice of such breach, and after the breaching Party's failure to cure such breach within the thirty (30) period following the breaching party's receipt of the notice of breach. Notice of termination under this Section shall be provided in writing and shall be effective upon receipt. In the event that this Agreement is terminated by Company pursuant to this Section, Customer shall immediately cease using Company approved packaging/packaging material for the Consumer Products bearing the Trademarks.
- 7.4 This Agreement shall terminate automatically when Customer discontinues sourcing Stepan Product from Company or Company determines to cease manufacturing Stepan Product. In this case, however, Customer shall be entitled to use up any existing Company-approved packaging/packaging material for the Consumer Products bearing the Trademarks on those Consumer Products containing Stepan Product until his stock of Stepan Product is depleted, and otherwise in strict accordance with this Agreement.

Article 8. Indemnification and Insurance

- 8.1 To the fullest extent permitted by law, Company agrees to protect, defend, indemnify and hold harmless Customer, its parent, subsidiaries, and affiliates, and their respective officers, directors, employees, agents, and representatives from and against all costs, losses or expenses, causes of action, suits and liabilities of every kind, including all expenses of litigation, court costs, and reasonable attorneys' fees, that Customer incurs by reason of any claim or suit arising out of or in connection with Company's breach of any of its representations, warranties or covenants under this Agreement, Company's sole or concurrent negligence, Company's performance or failure to perform pursuant to this Agreement, including, but not limited to, claims or suits for infringement of trademarks relating to Customer's use of Company's Trademarks as authorized hereunder. This indemnity shall continue in full force and effect from the date of this Agreement and shall survive termination or expiration of this Agreement for a period of three (3) years.
- 8.2 To the fullest extent permitted by law, Customer agrees to protect, defend, indemnify and hold harmless Company, its parent, subsidiaries, and affiliates,

and their respective officers, directors, employees, agents, and representatives from and against all costs, losses or expenses, causes of action, suits and liabilities of every kind, including all expenses of litigation, court costs, and reasonable attorneys' fees, that Company incurs by reason of any claim or suit arising out of or in connection with Customer's breach of any of its representations, warranties or covenants under this Agreement, Customer's sole or concurrent negligence, Customer's performance or failure to perform pursuant to this Agreement, including, but not limited to, claims or suits for infringement relating to Customer's Consumer Products; personal injury, harm or false or deceptive labelling or advertising related to the Consumer Products. This indemnity shall continue in full force and effect from the date of this Agreement and shall survive termination or expiration of this Agreement for a period of three (3) years.

- 8.3 For the purposes of Section 8.1 and 8.2 above, each Party will provide written notice within five (5) working days to the other of any claim or lawsuit arising from this Agreement. Article 8 shall survive the expiration or termination of this Agreement for a period of (3) years.
- 8.4 Notwithstanding the indemnification provisions set forth in the preceding Section, each Party agrees to maintain in full force and effect workers' compensation, comprehensive general liability, broad form extended casualty, employer's liability, automobile liability, product liability, completed operations coverage and insurance against any and all losses, damages, liabilities, claims, lawsuits, demands, costs and expenses (including attorneys' fees and expert expenses) that arise out of or are alleged to have arisen, directly or indirectly, in whole or part, from its design, manufacture, sale, transportation, or distribution of any goods or services in connection with this Agreement. The insurance provided hereunder shall include contractual liability coverage to cover the insured's obligations under this Agreement. Each Party shall provide coverage for any acts of omission or commission, negligence, willful or wanton conduct or otherwise of itself, its subcontractors, employees, workmen, servants, or agents, with limits of not less than \$2,000,000 for each person and \$4,000,000 for each occurrence, and property damage limits of not less than \$5,000,000. Each Party shall maintain the other Party as an additional insured on all such policies required under this Agreement. The coverage afforded to the other Party as additional insured under such policies shall be primary insurance. If an insuring Party has other insurance, including self-insurance, which is also applicable to the coverage, such other insurance shall be considered only as excess coverage over and above any and all of such Party's insurance. Each

Party shall obtain an endorsement to its policy to effect this priority of coverage. The other Party may, at its sole discretion, request that the insuring Party provide certificates of insurance evidencing coverage as set forth herein.

- 8.5 EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES, AND EACH PARTY EXPRESSLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES IN CONNECTION WITH THIS AGREEMENT, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, TITLE, ANY WARRANTIES ARISING OUT OF A COURSE OF PERFORMANCE, DEALING OR TRADE USAGE, AND THEIR EQUIVALENTS UNDER THE LAWS OF ANY JURISDICTION.**
- 8.6 NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL, OR INDIRECT DAMAGES, OR LOST PROFITS, LOST REVENUE OR LOST BUSINESS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, HOWEVER CAUSED AND BASED ON ANY THEORY OF LIABILITY, ARISING OUT OF THIS AGREEMENT, WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE, AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY; AND IN NO EVENT WILL COMPANY'S LIABILITY ARISING OUT OF THIS AGREEMENT OR THE USE OF OR INABILITY TO USE THE TRADEMARKS OR TO OFFER THE CONSUMER PRODUCTS EXCEED \$1,000,000.00.**

Article 9. Confidentiality

- 9.1 Except as set forth below, each of the Parties agrees that it shall not make use of, disseminate, or in any way circulate within its own organization any Confidential Information of the other Party which is supplied to or obtained by it in writing, orally or by observation. For purposes of this Agreement, "Confidential Information" shall mean any and all technical and non-technical information, including, but not limited to, patent, copyright, trademark, trade secret, and proprietary information, techniques, sketches, drawings, models, inventions, know-how, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulae related to current and future proposed products and services of each of the Parties, and includes, without limitation, their respective information concerning research, experimental work, development, design details and specifications, engineering,

financial information, procurement requirements, purchasing, manufacturing, customer lists, business forecasts, sales and merchandising, market plans and strategies, marketing surveys and data, marketing research and information, and other data pertaining to the substantiation, creation, or evaluation, of promotional materials or advertising in whatever form provided and whatever manner communicated, except for information that:

- A. At the time of disclosure is in the public domain; or
- B. After disclosure becomes part of the public domain, by publication or otherwise, through no violation of a confidentiality agreement with either of the Parties; or
- C. A Party can show by written documentation was in its possession at the time of the disclosure and was not acquired, directly or indirectly, from the other Party; or
- D. Is later furnished or made known to one of the Parties by third Parties as a matter of right and without restriction on disclosure; or
- E. Is required to be disclosed by court order or other legal process and becomes part of the public domain.

9.2 Each Party shall maintain any Confidential Information of the other Party in confidence using at least the same degree of care as it currently uses for its own Confidential Information, but in no event less than a reasonable standard of care. Neither Party shall, directly or indirectly, use, disseminate, disclose, or reveal any of the other Party's Confidential Information for any purpose other than the purposes contemplated by this Agreement. Each Party shall take all reasonable precautions, including the establishment, implementation, and maintenance of appropriate procedures, training, disciplines, and security measures (including maintaining such Confidential Information in secured facilities and in secured locations within such facilities, and obtaining reasonable confidentiality undertakings from personnel having access to such Confidential Information) to safeguard the other Party's Confidential Information. These precautions shall include disseminating such Confidential Information only to such employees, and only on a need to know basis, who have been notified of the restrictions on use and disclosure of such Confidential Information set forth in this Agreement.

- 9.3 The provisions of this Section 9 will apply for a period of five (5) years after the termination of this Agreement.

Article 10. Adverse Publicity and Consumer Complaints

- 10.1 If the Consumer Products are the subject of adverse publicity, including but without limitation, contamination of the product, criminal or otherwise, or a market withdrawal or a recall, which in the reasonable judgment of Company is or may be detrimental to the intended purpose of this Agreement, then Company may elect to terminate those elements of this Agreement that are reasonably feasible to terminate, and thereafter no Party shall have any further obligation to the other with respect to such aspects of the Agreement.
- 10.2 Customer will promptly respond to any consumer complaint it receives pertaining to the Consumer Products. Any such consumer complaints or inquiries specifically addressing the claimed benefits of Stepan Product shall be promptly made available to Company for Company's input prior to Customer's issuance of a response. Company shall be copied on such response. Any complaints directed at Customer's Consumer Products in any regard received by Company shall be immediately forwarded to Customer for response consistent with the foregoing, and a copy of such response shall be forwarded to Company.

Article 11. Relationship of Parties, Assignment, Modification, Authority To Contract

- 11.1 Nothing contained herein shall be construed to place the Parties in a relationship of partners, joint venturers, principal-agent or employer-employee, and no Party shall have any authority to obligate or bind the other whatsoever, except as specifically provided by the terms of this Agreement.
- 11.2 This Agreement may not be assigned by any Party without the prior written consent of the other Party, provided that Company may assign any of its rights, benefits and obligations under this Agreement, in whole or in part, from time to time, without such consent, to any then current affiliate of Company. In the event any permitted assignee of Company is a legal entity located outside of the United States, Customer agrees, at the request of such assignee, to enter into such agreements and documentation which are reasonably requested by such assignee in order to comply with such assignee's customary requirements for contracts for the purchase of supplies or services by such foreign assignee. The rights and

obligations of the Parties hereunder shall inure to the benefit of and bind the successors, permitted assigns, and legal representatives of the respective Party.

- 11.3 This Agreement represents the full understanding of the Parties hereto and supersedes any prior or contemporaneous agreements, whether oral or written, between the Parties. Nothing in this Agreement is intended to alter or amend any rights or obligations set forth in any separate written agreements between the Parties pertaining to Company's supply of Stepan Product to Customer for use in Consumer Products.
- 11.4 This Agreement may not be changed or modified, except by written instrument signed by the authorized representatives of both Parties hereto.
- 11.5 If any provision of this Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement. The entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision and the rights and obligations of each party shall be construed and enforced accordingly.
- 11.6 Neither party's failure to enforce any of the terms or conditions of this Agreement on any occasion shall affect, limit or waive said party's right to enforce such terms and conditions strictly.
- 11.7 None of Parties or any of their respective officers, directors or employees is on any list of prohibited countries, individuals, organizations or entities that is administered or maintained by the U.S. Office of Foreign Assets Control ("OFAC"), including but not limited to the List of Specially Designated Nationals and Blocked Persons, or on any similar list not maintained by the OFAC. Distributor has and will maintain a process to ensure compliance with this provision.

Article 12. Notices and Applicable Law

- 12.1 Any notice or other communication required under this Agreement shall be in writing and either delivered personally to the addressee or faxed (with confirmation received) to the addressee, sent by express courier to the addressee or mailed, certified or registered mail, postage prepaid, and shall be deemed given when so delivered personally, faxed to the addressee (and confirmation received), or, if sent by express courier, two (2) business days after the date so sent, or, if

mailed, seven (7) business days after the date of mailing, to the applicable address as follows:

If to Company:

Company, 100 West Hunter Avenue, Maywood, NJ 07607

Attn: Jim Butterwick

If to Customer:

Via Salvella 43 II traversa 25038 Rovato BS

Attn: Alessandro Coradi

- 12.2 This Agreement and all disputes between the Parties shall be governed by the laws of the State of Delaware, exclusive of its conflicts of law provisions. The United Nations Convention on Contracts for the International Sale of Goods shall not apply. The Parties consent to the exclusive and sole jurisdiction of the federal court located in Wilmington, Delaware or the state court located in New Castle County, Delaware with respect to all litigation, claims, causes of action, demands, controversies or disputes among the Parties.
- 12.3 By signing below, the undersigned representative of each party warrants and represents that (i) he or she has full authority to execute this Agreement on behalf of each party respectively and to bind the party on whose behalf he or she is executing this Agreement to the terms hereof, and (ii) he or she has no knowledge of the existence of any other contract or agreement which would prevent it from carrying out its respective responsibilities under this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

STEPAN SPECIALTY PRODUCTS LLC

By:
Title:

YAMAMOTO NUTRITION



By: Alessandro Coradi
Title: CEO

Stepan Specialty Products LLC
100 West Hunter Avenue
Maywood, New Jersey 07607

List of Schedules

- Schedule 1 — Co-Branding Manual
- Schedule 2 — Consumer Products
- Schedule 3 — Territory
- Schedule 4 — Trademark(s); Stepan Products(s)
- Schedule 5 — Targets and Marketing Support

Schedule 1

The Co-Branding Manual

See enclosed Co-Branding Manual.

Schedule 2

The Consumer Products

This Agreement is applicable for the following products:

- YAMAMOTO NUTRITION CLA PRO 120 softgels

Schedule 3

The Territory

- 1.1 The agreed countries in which Customer has the right to offer the Consumer Product(s) including the Trademarks under the Agreement:

All over the world

- 1.2 In the event that Customer wishes to extend the Territory under Section 1.1, Customer shall serve written notice on Company to this effect and both Parties shall enter into negotiations in the utmost good faith as regards the extension to the Territory.

- 1.3 Additional countries in which Customer intends to use the consumer Product(s):

All over the world

- 1.4 The countries under Section 1.3 can be transferred into countries as agreed under Section 1.1 through extension of Company's international trademark registration or through national filing based on negotiations between the Parties.

Schedule 4

Trademark(s) and Stepan Product(s)

This Agreement is applicable for the following Company trademark(s) and products:

- **Cla PRO Clarinol© Quality 120 softgels**

Schedule 5

Targets and Marketing Support

- 1.1 Company will support consumer with information on the technical aspects, health benefits and marketing of Trademark(s).

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Specialty Products LLC
100 West Hunter Avenue
Maywood, New Jersey 07607

