

License Agreement

Date: 8th day of November, 2010.

Parties:

Food Marketing Institute, a District of Columbia not-for-profit corporation, having its principal offices at 2345 Crystal Drive, Suite 800, Arlington VA 22202, United States of America ("**the Licensor**").

Food Safety Institute of the Americas, a Learning Center of the Food Science and Technology Program of the College of Agricultural Sciences having its registered office at University of Puerto Rico, Mayagüez Campus, 165 West Méndez Vigo Street, Mayagüez, Puerto Rico, 00680 ("**the Licensee**").

Recitals:

- A. The Licensor has acquired the "SQF Program" and the related training courses, products and services that support of the SQF Program. The SQF Program is a fully integrated food safety and quality management protocol designed specifically for the food sector.
- B. The SQF Program includes certain data, information, and materials and associated trademarks owned by Licensor.
- C. The Licensor is the sole legal and beneficial owner of the SQF Program.
- D. The Licensee wishes to acquire non-exclusive rights to deliver the SQF Systems Training Courses that provides instruction or meets the requirements of the SQF Codes.
- E. The Licensor has agreed to grant the Licensee non-exclusive rights to deliver the SQF Systems Training Courses on the terms and conditions hereinafter contained.

In consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1 Interpretation

Definitions

1.1 In this Agreement including the Recitals, unless the context otherwise requires, the relevant definitions given in the SQF Program – Vocabulary apply, together with the following definitions (to the extent of any conflict between the definitions in the SQF Program-Vocabulary and the definitions set forth herein, the definitions set forth herein shall control):

Agreement means the agreement constituted by this document entered into between the Parties on the above date including Schedules to this Agreement and any documents executed by the Parties modifying, varying or replacing such agreement, subject to Section 22.1.

Auditor means a Person or Persons registered as a SQF Auditor and authorized to carry out Audits of the Licensee's Clients' SQF System for or on behalf of the Licensee.

Commencement Date means the date specified in Item 3 of Schedule 1.

Confidential Information means all confidential and proprietary information of each Party disclosed to or acquired by the other Party, whether oral or written, and whether designated as "confidential" or "proprietary" or not, and extends to all forms and media, including but not limited to notes, memoranda, reports, summaries, manuals, drawings, diagrams, pictures, charts, photographs, electronic storage and computer print outs. Confidential Information does not include any information that: is public knowledge or becomes public knowledge other than by breach of this Agreement; is acquired or learned from a third party not under an obligation of confidentiality; is independently developed without the use of or reference to Confidential Information; or can be shown to have been in the recipient's possession prior to disclosure or acquisition without any obligation of confidentiality. Confidential Information includes but is not limited to:

- (a) all information and material relating to the SQF Codes, the SQF Systems Training Courses, including the Training Materials and Training Criteria, and to any trade secrets, ideas, discoveries, inventions, know how, techniques, and proprietary know how;
- (b) the terms of this Agreement;
- (c) financial information and business and marketing plans; and
- (d) all information about payments specified under clause 3, all reports and records maintained under clause 9, all information supplied or accessed under clauses 8 and 9, all techniques, sales figures and, subject to clause 4.2(f), client lists and client details.

Contract Manager means the Person appointed pursuant to clause 7 and specified in Item 8 of Schedule 1.

Intellectual Property means all intellectual and industrial property associated with or comprised in the SQF Program, SQF Codes, Training Criteria, and Training Materials, including but not limited to all Copyright, patents, trademarks, certification marks, designs, inventions, trade secrets, ideas, know how, concepts and techniques.

Intellectual Property Rights includes all rights, title, and interest in and to the Intellectual Property.

Law means any federal, state, or local law, rule, regulation, statute or ordinance, whether now existing or hereinafter enacted, including any consolidations, amendments, or re-enactments.

License means the License granted in accordance with this Agreement.

License Fee has the meaning given to it in clause 3.1, and is the amount prescribed in Item 7 of Schedule 1.

Participant means a Person who enters into an agreement, contract or arrangement with the Licensee or otherwise participates in a SQF Systems Training Course conducted by the Licensee's Trainers.

Party means the Licensor and/or the Licensee as the context requires and **Parties** has an equivalent meaning.

Person means a natural person, partnership, joint venture, corporation, trust, estate or other entity, as the context requires or permits.

Promotional Materials means all information, documents, publications, and materials, whether in electronic or print form, used to advertise the SQF Systems Training Course.

Registered SQF Trainer means a Person registered by the SQFI as to deliver SQF Systems Training Courses and **Trainer** shall have the same meaning.

Related Party of the Licensee means any company or entity that is a holding, subsidiary, affiliate, or sibling entity, a division or unit of the Licensee, or under common ownership or control with Licensee.

Scope of License means the SQF Systems Training Courses detailed in Item 6 of Schedule 1 for which the Licensee is licensed to provide the Service.

SQF Codes means the SQF 1000 Code, SQF 2000 Code, and SQF Modules, as the case may be.

SQF Modules means the Responsible Social Practice Module, the Responsible Environmental Practice Module, and the Responsible Food Defense Module as the case may be.

SQF Systems Training Course means the SQF 1000 Systems Training Course or the SQF 2000 Systems Training Course designed and owned by the SQF Institute, a division of Licensor.

Territory means those country locations within which the Licensee is licensed under this Agreement to deliver the Service, and is the Territory prescribed in Item 5 of Schedule 1.

Training Criteria means the current edition of the "Criteria for SQF Training Bodies, Trainers and Training Courses", published by the Licensor and which forms part of this Agreement.

Training Materials means all manuals, teaching aids, programs, diagrams, charts, pictures and other material (whether in a printed, visual or electronic form) developed by the Licensor for use in or associated with the Training Programs.

Training Programs means the end results derived from the use of the SQF training materials, training criteria by a registered SQF Trainer.

Unit of Service means the delivery of one SQF Systems Training Course to one Participant.

USD means United States Dollars

Interpretation

1.2 In this Agreement unless the contrary intention appears:

- (a) a reference in this Agreement to any document, publication, or instrument (including, without limitation, the SQF Codes, Training Materials, and the Training Criteria) includes any updates, supplements, variations or amendments, or modifications to such documents that Licensor may make and provide to Licensee from time to time;
- (b) feminine or neuter pronouns shall be substituted for masculine and vice versa, and plural terms shall be substituted for singular and singular for plural, in any place in which the context so requires;
- (c) a reference to a Person includes a reference to the Person's executors, administrators, successors and permitted assigns;
- (d) the verb "include" (in all its parts, tenses and variants) is not used as, nor is it to be interpreted as, a word of limitation; and
- (e) the words "including", "for example" or "such as" do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

1.3 Headings are inserted for convenience and do not affect the interpretation of this Agreement.

1.4 If there is an inconsistency between the terms and conditions of this Agreement and the schedules, then the terms and conditions of this Agreement shall prevail to the extent of such inconsistency.

2 Grant of license; Term; Extension

License granted

2.1 It is a condition precedent to the grant of the License that the Licensee meets the requirements of the Training Criteria. This condition precedent is for the benefit of the Licensor and may only be waived by the Licensor.

2.2 Subject to satisfaction of the condition precedent in clause 2.1 and in consideration for the payments to be made under clause 3 of this Agreement, the Licensor hereby grants to the Licensee and the Licensee hereby accepts a non-exclusive, non-transferable License to supply the Services in the Territory under the terms and conditions herein contained ("**License**").

Term

2.3 This Agreement shall commence on the Commencement Date and, unless terminated earlier in accordance with clauses 14 or 15, continues for the duration of three years from January 1 of the calendar year in which the Commencement Date occurs ("**Initial Term**"), and may be extended thereafter in accordance with clause 2.4.

Extension

2.4 At the end of the Initial Term, the Licensee may request to extend the Agreement for subsequent three (3)-year terms by giving three (3) months written notice to the Licensor before the expiration of the then current Term of the Agreement ("Expiration Date") together with the Renewal Fee ("**Renewal Fee**") prescribed in Item 7 of Schedule 1 (payable for each extension). Upon receipt of notice from Licensee, Licensor may, in its sole discretion, either terminate the Agreement or agree to extend the term, and shall provide Licensee with notice of its election within one (1) month prior to the Expiration Date.

3 License Fee

Annual License Fee

3.1 In consideration of the License hereby granted by the Licensor to the Licensee, the Licensee shall pay the Licensor the license fee ("**License Fee**") prescribed in Item 7 of Schedule 1 upon execution of this Agreement. Licensee must pay a new License Fee upon commencement of every subsequent Term of the Agreement. Licensor may adjust the License Fee before the commencement of any subsequent Term by an amount determined by Licensor in its sole discretion.

Adjustment of Renewal Fee

3.2 The Renewal Fee prescribed in Item 7 of Schedule 1 shall apply to the first three-year extension of the Term. Thereafter, the Renewal Fee may be adjusted before the commencement of any subsequent Term by an amount determined by the Licensor in its sole discretion, provided that the annual increase shall not exceed 10% of the then applicable License Fee.

Manner of Payment

3.3 All sums payable by the Licensee to the Licensor under this clause 3 shall be paid in USD by electronic bank transfer to a bank account specified by the Licensor or by other means as agreed to by the Licensor.

4 Licensee's Covenants, Representations and Warranties

General

4.1 The Licensee shall:

- (a) Provide the Services in accordance with the Training Criteria and as otherwise prescribed in this Agreement;
- (b) use the Training Materials prepared by the Licensor as instructed by the Licensor;

- (c) implement any improvement or modification relating to or derived from the SQF Codes, the Training Programs, **SQF Systems Training Course** and Training Criteria, but only if and as instructed and approved by Licensor;
- (d) implement any improvement or modification relating to or derived from the Training Materials, if instructed by the Licensor or if developed by the Licensee and approved by the Licensor;
- (e) provide the Services using specific examples and exercises consistent with the Participant's food sector and requirements;
- (f) issue all Participants a copy of the Training Materials;
- (g) use Licensor's name and trademarks on all Training Materials, and on all Promotional Materials, but only in a form and manner pre-approved by Licensor, and only use the trademarks in accordance with this Agreement and the conditions outlined in the document entitled "SQF Quality Systems: Certification Trade Marks - Requirements for Licensees", published by the Licensor;
- (h) not use:
 - (i) the Intellectual Property;
 - (ii) the Confidential Information; or
 - (iii) any Training Criteria or Training Materials;

except for the purposes of and in accordance with the terms and conditions of this Agreement, and immediately cease all use of the Intellectual Property, the Confidential Information and all Training Criteria and Training Materials upon termination of this Agreement for any reason;
- (i) include the words:
 - (i) "© Food Marketing Institute (year of issuance). All rights reserved"

on all Training Materials and Promotional Materials whether printed or in electronic storage format and in a style and font so that the words are clearly legible, in a form and manner pre-approved by Licensor. However, the Licensee shall not make any representations either implied or explicit that it is an agent of the Licensor for any purpose or that the Licensor in any way endorses or accepts responsibility for the words or actions of the Licensee;
- (j) obtain Licensor's prior written approval of all Promotional Materials, and not make any statement in any Promotional Material or orally to any Person in respect of the Services, the SQF Program, or the SQF Codes which is a misrepresentation or which breaches any applicable Law;
- (k) inform all Participants at the commencement of the SQF Systems Training Course that they will not be authorised by the Licensor to act or practice as SQF Auditors unless and until they have obtained registration from the Licensor by means of taking the prescribed SQF online exam.;
- (l) not, nor will any Related Party of the Licensee, nor any of the employees, consultants, contractors or agents of any of them, directly or indirectly, during the Term or for two (2) years following termination of this Agreement, develop, promote, market, operate, acquire or sell any service or program that is substantially similar to the SQF Program. The Parties agree and acknowledge that the duration, scope, and geographic area of this provision is fair, reasonable, necessary, and appropriate, and will not prevent Licensee from engaging in profitable business activities.

4.2 The Licensee acknowledges and agrees that:

- (a) Except as provided in Section 5.1, the Licensor will not organize or supply support services, including venues or advertising, for the delivery of the Services;

- (b) the Licensee shall have no right to enter into any agreement for or on behalf of the Licensor;
- (c) the Licensee may not sublicense any rights or obligations hereunder, except that the Licensee may use Registered SQF Trainers to provide the Services, as described below;
- (d) the Licensor makes no representations or warranties as to the commercial profitability or success of the Licensee in providing the Services, other than as set out in this Agreement; and
- (e) the Licensor may include reference to the Licensee, its Trainers and Participants on a register and make the register publicly available.

Intellectual Property

4.2 The Licensee acknowledges and agrees that:

- (a) nothing in this Agreement confers upon the Licensee any Intellectual Property Rights as a result of the provision of the Services by the Licensee or otherwise, and:
 - (i) the Intellectual Property and all Intellectual Property Rights are and shall remain the sole property of the Licensor;
 - (ii) neither the Licensee nor any of its Related Parties or its or their employees, consultants, contractors, agents or Trainers shall at any time or in any way whatsoever dispute the validity of any Intellectual Property Rights or the Licensor's ownership of the Intellectual Property and shall not assist any other party to so dispute them;
 - (iii) it will not cause or permit anything to be done which may damage or endanger the Intellectual Property or the Intellectual Property Rights of Licensor;
 - (iv) it has no claim whatsoever to any rights of ownership in the Intellectual Property or the Intellectual Property Rights and warrants that no such claim will be made in the future unless by agreement with the Licensor; and
 - (v) the Licensee shall not have the right to authorise or sub-license any Person or entity to market or sell the Services, or the Intellectual Property or the Intellectual Property Rights to any other party;
- (b)

Withholding Taxes, VAT and Other Indirect Taxes

4.3 All payments referred to in clause 3 are to be received in full by the Licensor without deduction of withholding taxes, Value Added Tax or any other indirect taxes in the Licensee's country. Should the Licensee be required by law to withhold tax, VAT or any other indirect taxes on the amounts payable to the Licensor, then such amounts shall be grossed up so that the net amount received by the Licensor shall be equal to the payments prescribed in clause 3.

4.4 The additional amount payable under clause 4.3 must be paid to the Licensor at the same time as the original consideration for the delivery of the Service must be paid or provided.

4.5 The Licensor must provide the Licensee on request with a Tax Invoice to enable the Licensee to claim a tax credit for the Tax that is payable on any supply made by the Licensor under this Agreement.

Licensee's Representations and Warranties

4.6 The Licensee hereby represents and warrants to the Licensor that it has full power and authority to enter into and perform its obligations under this Agreement.

5 Licensor's Covenants, Representations and Warranties

Licensor's Covenants

- 5.1 The Licensor hereby undertakes and agrees that it will provide the Licensee:
- (a) with Training Materials; and
 - (b) at a charge to be determined by the Licensor, with all such assistance and support as the Licensee may reasonably require to acquire knowledge of relating to the delivery of the Service.

Licensor's Warranties

- 5.2 The Licensor hereby represents and warrants to the Licensee that it has full power and authority to enter into and perform its obligations under this Agreement.

6 Delivery of the Service

- 6.1 In relation to a Unit of Service the Licensee shall deliver the Service to a Participant with the aim of having the Participant successfully complete the SQF Systems Training Course.

7 Licensor's Contract Manager

Appointment

- 7.1 The Licensor shall appoint the Contract Manager specified in Item 8 of Schedule 1, as its authorised representative.

Replacement

- 7.2 The Licensor reserves the right at any time or from time to time during the currency of this Agreement to replace the Contract Manager, in which case the Licensor shall notify the Licensee in writing of a suitable alternative Contract Manager.

Authority

- 7.3 The Contract Manager may exercise any of the powers to be exercised by the Licensor under this Agreement except that the Contract Manager is not authorised to waive the Licensee's compliance with any provisions of this Agreement, agree to any modifications or amendments to this Agreement, or to consent to an assignment by the Licensee pursuant to clause 13.2.

- 7.4 Any direction, which the Contract Manager gives to the Licensee within the authority conferred by clause 7.3, shall be deemed to have been given to the Licensee by the Licensor.

8 Quality control

Licensor's approval

- 8.1 All Training Materials to be presented to Participants must be approved upon the commencement of the License and annually thereafter. The Licensee may enhance the Training Materials by including examples of its application, but all such enhancements must be approved by Licensor.

Inspection at Licensor's Request

- 8.2 The Licensor or its representative may at any reasonable time during the Term make written request to inspect and audit Licensee's facilities, books, and records relating to:

- (a) Training Materials;
- (b) the Licensee's procedures and protocols that relate to the delivery of the Services; and
- (c) the Licensee's delivery of the Services,

to establish the quality of the Licensee's delivery of the Services and confirm Licensee's compliance with this Agreement, and the Licensee shall not unreasonably refuse such request and shall provide all reasonable assistance to the Licensor in making such inspection or audit. The Licensee shall pay all costs and expenses incurred by the Licensor for the inspection and audit if a breach of contract is identified during the course of the inspection or audit.

Use of Trainers

8.3 The Licensee shall ensure that only Registered SQF Trainers are used in the delivery of the Services.

Notification of Trainers

8.4 The Licensee shall upon execution of this agreement provide to the Licensor a detailed list (including registration number) of all registered Trainers to be used and thereafter an up to date detailed list of any changes to the Trainers used by the Licensee.

9 Records

Maintaining Records

9.1 The Licensee shall keep full and accurate records relevant to this Agreement during the Term, including but not limited to records of all Units of Service provided, Participant registers and Participant reports.

Inspection of Records

9.2 The Licensee shall keep all records referred to in clause 9.1 for a period of five years after the end of the year to which they relate and shall make them available to the Licensor for inspection and/or copying upon request by the Licensor.

10 Modifications and improvements

New Intellectual Property

10.1 The Licensor and the Licensee shall promptly communicate in writing all details of any know how, improvement or modification relating to or derived from the SQF Codes, SQF Program, Training Course, Training Materials or Training Criteria ("**the New Intellectual Property**") developed at any time during the Term.

Ownership

10.2 The New Intellectual Property shall at all times be the property of the Licensor and:

- (a) no consideration shall be payable by either the Licensee or the Licensor for the New Intellectual Property; and
- (b) the New Intellectual Property shall be deemed to be part of the Intellectual Property and subject to the License granted to Licensee hereunder, and shall be covered by the provisions of this Agreement.

Protection

10.3 The Licensee shall disclose all information and execute all documents and declarations and do such things as may be necessary to vest in the Licensor the right to apply for registration for protection of the New Intellectual Property both in the Territory and in any other place.

Confidentiality

10.4 Any communication as to New Intellectual Property by one Party shall be treated by the other Party as Confidential Information until such time as such New Intellectual Property comes into the public domain other than by breach of this Agreement.

11 No Reliance; Approvals; Compliance with Laws

Own Examination

11.1 The Licensee acknowledges that it has entered into this Agreement in reliance upon its own examination and valuation of the SQF Codes and the Training criteria not upon any (or any alleged) statement, warranty, condition or representation made or alleged to have

been made by the Licensor or its employee or agents other than as contained in this Agreement.

Approval of Government Bodies

11.2 The Licensee covenants that prior to entering into any contract, agreement or arrangement and delivering the Service in any part of the Territory it will obtain all legally necessary consents and approvals from the relevant government and from all relevant statutory and other bodies (including pursuant to any exchange control regulations) to enable it to carry out its activities in such part of the Territory and perform its obligations under this Agreement. The Licensor undertakes and agrees that whenever and wherever possible it will provide all reasonable assistance to the Licensee to obtain these consents and approvals at the Licensee's cost.

Compliance with Laws

11.3 The Licensee shall comply with all applicable Laws at all times during the Term of this Agreement.

12 Licensee's Indemnities and Insurance

Licensee's Responsibility for Use of Intellectual Property

12.1 The Licensee assumes full responsibility for the use or failure to use or misuse or other purported use of the Intellectual Property in connection with the provision of the Service or otherwise and shall indemnify the Licensor, and shall keep the Licensor indemnified, defended and held harmless against and in respect of any and all claims, demands, losses, costs, expenses, legal fees and disbursements, obligations, liabilities, damages, account of profits, recoveries and deficiencies (including interest and penalties) by any third party to the extent attributable to the use, failure to use, misuse or other purported use of the Intellectual Property howsoever arising.

Indemnity

12.2 Excluding materials developed and supplied by the Licensor (to the extent not subsequently enhanced or modified by the Licensee, in which event, such materials shall be included), the Licensee shall immediately give the Licensor written notice of and shall indemnify the Licensor, and shall keep the Licensor indemnified, defended and held harmless against and in respect of any and all claims, demands, losses, costs, expenses, legal fees and disbursements, obligations, liabilities, damages, account of profits, recoveries and deficiencies, including interest and penalties, that the Licensor may incur or suffer to the extent arising or resulting from:

- (a) any breach of this Agreement by the Licensee or its Trainers, or the Licensee's or its Trainers' failure to perform any of its obligations under this Agreement;
- (b) the negligence or intentional act or wilful misconduct of the Licensee or its Trainers; and
- (c) any performance, non-performance or purported performance in supplying of the Service by the Licensee or its Trainers; or
- (d) (d) any real or alleged infringement of a third party's intellectual property or proprietary rights by any information or materials created, produced, or supplied by Licensee, except for the Training Materials solely created, produced, or supplied by the Licensor.

except when such claims, demands, losses, costs, expenses, legal fees and disbursements, obligations, liabilities, damages, account of profits, recoveries and deficiencies, including interest and penalties, arise out of Licensor's sole negligence.

12.3 The indemnities contained in clauses 12.1 and 12.2 are continuous obligations, separate and independent from the other obligations of the Licensee and survive termination of this Agreement for whatever reason. It is not necessary for the Licensor to incur expense or make payment before enforcing a right of indemnity conferred by this Agreement.

Insurance

12.4 The Licensee agrees that General Liability (including auto) and Professional Liability Insurance shall be the responsibility of the Licensee. The Licensee shall arrange and maintain a minimum cover of not less than One Million USD (\$1,000,000) in respect of any one claim and Two Million USD (\$2,000,000) in the annual aggregate for each coverage with an insurance company rated by A.M. Best as A- or better. Upon request of the Licensor, the Licensee shall evidence the existence of all insurance during the Term of this Agreement.

12.5 The Licensee must ensure that any contracts of insurance entered into pursuant to clause 12.4 include the Licensor and its respective officers, directors, employees and agents as additional insured.

13 Assignment and Liability**Assignment by Licensor**

13.1 The Licensee acknowledges that the Licensor may, at any time, transfer or assign its rights and obligations under this Agreement.

Assignment by Licensee

13.2 The Licensee acknowledges that this Agreement is personal and that it will not (and will not agree to) assign all or part of the benefit of or its interest in this Agreement, without the prior written consent of the Licensor (which the Licensor may in its absolute discretion, and without giving reasons, grant or refuse) and in any event subject to the Licensor satisfying itself concerning the financial good standing and professional and technical competence and reputation of the proposed assignee. Any change in control of the Licensee shall constitute an assignment for purposes of this section.

13.3 Any assignment consented to by Licensor pursuant to clause 13.2 must be subject to the assignee entering into a deed whereby it covenants to be bound by the terms of this Agreement in terms acceptable to the Licensor.

Liability

13.4 The Licensee will remain liable under this Agreement and will indemnify the Licensor against any claim the Licensor may suffer as a result of any permitted assignment.

14 Infringement

14.1 Each Party shall give immediate written notice to the other Party of any real infringement or alleged infringement of the Intellectual Property Rights and/or any unauthorised dissemination or use of Confidential Information in the Territory.

14.2 If the Licensor identifies, commences or is involved in any proceedings for infringement of the Intellectual Property Rights and/or any unauthorised dissemination or use of Confidential Information, or any part thereof in the Territory, the Licensee will upon request by the Licensor give to the Licensor all information in its possession with respect to the infringement or suspected infringement and will join with the Licensor in bringing the said proceedings, if so requested by the Licensor. Should the Licensee join pending proceedings or invite the Licensor to start proceedings for infringement, then costs, expenses and attorneys' fees incurred in such proceedings shall be borne by Licensor and Licensee in proportions to be agreed upon taking into account their respective interests in bringing the proceedings.

14.3 Where the Licensee and the Licensor successfully prosecute to judgment any proceedings, the costs thereof and incidental thereto and any damages recovered thereby shall be borne and shared pro rata between them in the proportions that their individual damages for loss as adjudged be as to the total damages recovered by the Licensee and the Licensor and otherwise shall be borne equally between them.

15 Termination

Termination by Notice

15.1 This Agreement may be terminated immediately upon mutual agreement of the parties or by notice in writing to the other Party:

- (a) by the Licensor in the case of negligence or misconduct by the Licensee or any Trainer, including where the Licensee has failed to ensure that any Trainer has complied with this Agreement;
- (b) by the Licensor where there is evidence the Licensee has used Trainers that are not appropriately qualified;
- (c) by the Licensor if the Licensee fails to pay any payment pursuant to clause 3 within 60 days from notice;
- (d) by the Licensor if the Licensor is not reasonably satisfied that the performance of the Licensee or any of its Trainers is in accordance with the Training Criteria;
- (e) by the Licensor where in its reasonable opinion there has been a change in the composition of the shareholders of the Licensee which results in an effective change in control of the Licensee.
- (f) by either Party if an administrator, receiver, receiver and manager, official manager or provisional liquidator is appointed over the assets of the other Party, or where an order is made or a resolution is passed for the winding up of the other Party, whether voluntary or involuntary (except for the purposes of reconstruction or amalgamation provided that the control of the resultant company remains the same as the present control of the other Party) or the other Party ceases to carry on business; or
- (g) by either Party if the other Party commits a breach of any term or condition of this Agreement not explicitly stated above and fails to remedy the same within 14 days of receipt of a written notice from the first Party requiring it to remedy the breach or, in the case of a breach which is not capable of being remedied, if that Party has failed to fully compensate the first Party within such 14 day period for all loss suffered by the first Party by reason of that breach; or
- (h)

15.2 In addition, this Agreement may be terminated by either Party upon giving the other Party at least three months' prior written notice of such termination.

Termination Without Prejudice

15.3 The termination of this Agreement shall be without prejudice to any rights of either Party against the other accrued up to the date of such termination.

Position on Termination

15.4 If this Agreement is terminated:

- (a) the License granted hereunder will terminate, and Licensee and its Trainers will cease to be entitled to use and will cease to use the Training Materials, Promotional Materials, Intellectual Property, and all the rights granted to Licensee pursuant to this Agreement shall immediately cease;
- (b) the Licensee will cease to provide the Service;
- (c) the Licensee within seven days of the date of such termination shall notify the Licensor in writing of the total quantity and details of all Units of Service commenced but not completed at that time and shall assign all of its rights in

any binding contracts or agreements for the delivery of such Units of Service to the Licensor;

- (d) the Licensee shall immediately, unless otherwise directed by the Licensor, return to the Licensor all Confidential Information, Training Materials, Promotional Materials, prototypes, documents, manuals, papers, plans, specifications, writings, advertising brochures and any other data, information, and material (whether recorded in physical, electronic or other means) related to the Training Programs, Training Materials, the SQF Codes and SQF Program in its possession, including all copies;
- (e) the Licensee will maintain all its books and records for a period of five years from the date of termination of this Agreement and the Licensor giving reasonable notice shall have the right to inspect, audit and copy such books and records during that period; and
- (f) the Parties will cooperate and do all acts and things reasonably required to properly conclude matters pursuant to this Agreement.

16 Force Majeure

16.1 No Party shall be liable for any delay or failure to perform its obligations pursuant to this Agreement, except for payment obligations, if such delay or failure is due to a force majeure event, including but not limited to, act of God, compliance with law, storm, flood, terrorism, earthquake, war, rebellion, revolution or strike or any other event, happening or occurrence beyond the reasonable control of any Party. For the purposes of this clause, the term 'force majeure' shall not include shortage of funds or cash flow difficulties.

16.2 On the occurrence of any event of force majeure causing a failure to perform or delay in performance, the Party so affected shall immediately provide written notice to the other Party of such date and the nature of such force majeure and the anticipated period of time during which the force majeure conditions are expected to persist.

16.3 The Party so affected shall make all reasonable efforts to reduce the effect of any failure or delay caused by the event of force majeure.

16.4 If the force majeure conditions persist for 90 days or more, the Party so affected may terminate this Agreement by giving 30 days prior written notice to the other Party.

17 Confidentiality

Information to be Kept Confidential

17.1 During the Term, and following termination of this Agreement, each Party shall hold all Confidential Information owned by the other Party in strictest confidence and only use it for the purpose for which it was provided and shall not disclose or make available any Confidential Information to any third party without the prior written consent of the other Party.

Permitted disclosures

17.2 Notwithstanding clause 17.1, the either Party will be entitled to disclose the other Party's Confidential Information:

- (a) to that Party's patent attorneys, solicitors or any other person or body, including professional advisers, agents or independent contractors provided such disclosure is necessary to protect or advise upon or exercise the rights of that Party in relation to the SQF Codes or this Agreement, and provided such Persons have agreed in writing to be bound by the obligation of confidentiality imposed hereunder;
- (b) to its employees and Trainers but s only as necessary to exercise a Party's rights or perform its obligations under this Agreement and only to those

employees and Trainers who have agreed in writing to be bound by the obligation of confidentiality imposed on Licensee hereunder;

- (c) as required by law or legal process;
- (d) with respect to the Licensor, the Licensor may disclose to other bona fide parties who have been granted or may be granted a license by the Licensor to make, use, exercise or otherwise deal with the SQF Codes provided that in each case the Licensor does not disclose Confidential Information about the Licensee or the business of the Licensee to any other licensee for the SQF Codes or any other party that may reasonably be considered a competitor in the same markets as the Licensee.

Notification of Disclosure

17.3 If a Party proposes to disclose Confidential Information in accordance with clause 17.2 it must give prompt notice to the other Party of the proposed disclosure before the disclosure is made.

Consents

17.4 Where consent from the other Party is required for any proposed disclosure, the consent must not be unreasonably withheld.

Restrictions on Disclosure

17.5 Where a disclosure of Confidential Information is authorised under this Agreement, the Party disclosing Confidential Information must endeavour to limit the amount of Confidential Information disclosed to the extent reasonably required to accomplish the desired purpose.

18 Notices

18.1 A notice, approval, consent or other communication pursuant to this Agreement:

- (a) must be in writing; and
- (b) must be left at the address of the addressee or sent by prepaid ordinary post or if by facsimile to the facsimile of the addressee:
 - (i) if to the Licensor as prescribed in Item 8 of Schedule 1.
 - (ii) if to the Licensee as prescribed in Item 9 of Schedule 1.

18.2 Either Party may be entitled to change such address for notices by giving written notice to that effect to the other in accordance with this section.

18.3 Notice will be deemed given:

- (a) in the case of hand delivery, upon written acknowledgment or receipt by an officer or other duly authorised employee, agent or representative of receiving Party;
- (b) in the case of posting, five (5) business days after despatch; and
- (c) in the case of facsimile, upon completion of transmission, confirmed by a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient notified for the purpose of this clause, provided such transmission is completed during or before normal working hours and, if not, on the business day subsequent to completion of transmission.

19 Costs

19.1 Each Party will pay its own legal fees with respect to the preparation and execution of this Agreement.

19.2 All stamp duty shall be paid by the Licensee.

20 Dispute Resolution

20.1 If there is a dispute with respect to payments outlined in clause 3 of this Agreement (“**Dispute**”), then either Party may serve on the other Party a notice of the Dispute and before resorting to external dispute resolution mechanisms, the Parties shall attempt to settle the Dispute by negotiation in good faith as expeditiously as possible.

20.2 Despite the existence of a Dispute, each Party shall continue to perform its obligations under this Agreement.

20.3 Nothing in this clause 20 prohibits either Party from commencing legal proceedings at any time or from exercising any of its rights under this Agreement, including but without limitation a right to terminate this Agreement under clause 14, as each Party sees fit in its absolute discretion.

21 Governing Law and Jurisdiction

21.1 This Agreement is governed by, and interpreted in accordance with the laws of the Commonwealth of Virginia, exclusive of any rules with respect to conflicts of laws.

21.2 Without preventing any other mode of service, any document in an action (including, without limitations, any writ of summons or other originating process or any third or other party notice) may be served on any Party by being delivered to or left for that Party at its address for service of notices under clause 18.

21.3 Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All proceedings shall take place in Washington DC and shall be conducted in English.

22 General

Varying Agreement

22.1 Subject to clause 4.2(d), no variation, modification or waiver of any provision of this Agreement nor consent to any departure by any part there from shall in any event be of any force or effect unless the same shall be confirmed in writing, signed by the Parties, and then such variation, modification, waiver or consent shall be effective only to the extent for which it may be made or given.

Waiver

22.2 No failure, delay, relaxation or indulgence on the part of either Party in exercising any power or right conferred upon such Party in terms of this Agreement shall operate as a waiver of such power or right, nor shall any single or partial exercise of any such power or right preclude any other or future exercise thereof or the exercise of any other power or right under this Agreement.

Severability

22.3 If any provision (whether a whole clause or not) of this Agreement shall be invalid and not enforceable in accordance with its terms, all other provisions, which are self-sustaining and capable of separate enforcement without regard to the invalid provisions, shall be and continue to be valid and enforceable in accordance with their terms.

Entire Agreement

22.4 Except where reference is made in this Agreement to other documents or provisions of other documents, this Agreement constitutes the sole and entire agreement between the Parties regarding the subject matter, and supersedes all warranties, representations, understandings, guarantees or other terms or conditions of whatsoever nature not contained and recorded herein.

Survival After Termination

22.5 The covenants, conditions and provisions of the Agreement that are capable of having effect after the expiration of this Agreement, including but not limited to such covenants, conditions and provisions set out in clauses 1, 3, 4, 5, 9, 10, 12, 14, 17, 20, 21, and 22 shall remain in full force and effect following the expiration of this Agreement.

No Partnership

22.6 Nothing in this Agreement will constitute or be taken to constitute either Party to this Agreement as the agent, partner, joint venturer or employee of the other for any purposes whatsoever and neither Party will hold out any other Party to this Agreement as his agent, partner, joint venturer or employee. To the extent permitted at law, any act or omission of either Party shall not bind or obligate the other except as expressly set forth in this Agreement.

Schedule 1 Particulars of Agreement

Item 1

Licensors

Food Marketing Institute
2345 Crystal Drive, Suite 800
Arlington VA 22202
USA

Item 2

Licensee

Food Safety Institute of the Americas
University of Puerto Rico
Mayagüez Campus
Mayagüez, Puerto Rico, 00680

Item 3

Commencement Date (clause 1.1)

The 8th day of November, 2010

Item 4

Term (clause 2.3)

From the Commencement Date until expiring on December 31st, 2012, unless extended pursuant to clause 2.4 or terminated earlier pursuant to clauses 14 or 15.4.

Item 5

Territory (clause 1.1)

Puerto Rico, Caribbean, South America. Central America

Item 6

Scope of License - SQF Systems Training Course (clause 1.1)

SQF Systems Training Course

1. Implementing SQF 2000 Systems
2. Implementing SQF 1000 Systems

Item 7

Annual License Fee (clause 3.1)

USD\$0.00 on signing the License and adjusted before the commencement of a new Term pursuant to clause 3.2.

Item 8

Licensors Contract Manager (clause 18.1)

John F. Schulz
Director, SQFI Business Operations
SQF Institute (a Division of FMI)
2345 Crystal Drive, Suite 800.
Arlington VA 22202
USA
Phone: +1-202-220-0668
Facsimile: +1-202-220-0874
Email: jschulz@fmi.org
Website: www.sqfi.com

Item 9

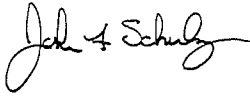
Licensee Contract Manager (clause 18.1)

Edna Negrón
Food Science and Technology Coordinator
Food Safety Institute of the Americas
University of Puerto Rico
Mayagüez Campus
Mayagüez, Puerto Rico, 00681
Phone: +1-787-265-5410
Facsimile: +1-787-265-5410
Email: edna.negrón1@upr.edu
Web site: www.UPRM.EDU/AGRICULTURA/CITA/IIAA

Execution page

EXECUTED in WASHINGTON on the 8th day of November, 2010

Signed for and on behalf of **FOOD MARKETING INSTITUTE** by its authorized signatory:



.....
Signature of witness

.....
Signature of authorized person

Director of Business Operations

.....
Office held

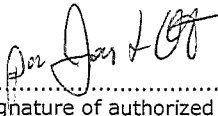
.....
Office held

John F. Schulz

.....
Name of authorized person (block letters)

.....
Name of authorized person (block letters)

Signed for and on behalf of **THE FOOD SAFETY INSTITUTE OF THE AMERICAS** by its authorized signatory:



.....
Signature of authorized person



.....
Signature of authorized person

Miguel Muñoz

.....
Name of authorized person (block letters)

259 N. Alfonso Valdez Blvd
De Diego Building
Chancellors Office
Mayagüez, PR 00680

.....
Name of authorized person (block letters)

.....
Office held

.....
Office held