

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

