

UK Framework Procurement Agreement

(Packaged Foods)

Contract ID: FPA-ORION-SABOR-2025-004

Effective Date: 20 October 2025

Buyer: Orion Foods Ltd, registered in England and Wales (No. 7654321) ("Buyer").

Seller: Sabor Europeo, S.A., a company organized under the laws of Spain ("Seller").

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1. Framework and Scope

1.1 This Agreement sets the terms under which Buyer may place call-off orders for packaged foods listed in **Schedule A**.

2. Term; Call-Off Orders

- 2.1 Initial term of two (2) years with automatic one-year renewals.
- 2.2 Call-off orders will specify quantities and delivery dates; Seller shall accept within two (2) business days.

3. Prices; Currency; Taxes

3.1 All prices are in GBP and are **DDP Manchester, UK (Incoterms 2020)** unless otherwise stated.

3.2 Prices include all costs to deliver to Buyer's warehouse, including freight, insurance and import duties unless adjusted under Section 6.

4. Delivery; Incoterms; IOR

4.1 Seller is **Importer-of-Record** for deliveries into the UK.

4.2 Seller will perform customs clearance and pay any applicable UK import duties, VAT (if applicable) and fees.

5. Rules of Origin; Preferential Duty

5.1 Seller shall maintain documentation to qualify the Products for preferential duty under the EU-UK Trade and Cooperation Agreement where available.

5.2 If Products cease to qualify for preferential duty due to origin changes, Seller remains responsible for any resulting duties.

6. Tariffs and Price Adjustment

6.1 If the UK introduces new or increased tariffs or tariff-rate quotas applicable to the Products that increase Seller's landed cost by more than **5%** relative to the **Baseline Duty** in Schedule A, Seller may request a price increase equal to the incremental duty applied to the Customs Value.

6.2 Buyer may reject any increase exceeding **6%** in a rolling twelve-month period and cancel undelivered orders for the affected Products without penalty.

6.3 Any decrease in applicable tariffs will be passed through to Buyer effective on the implementation date.

7. Food Compliance and Traceability

7.1 Seller shall comply with UK food safety, labeling and allergen laws and maintain full traceability of ingredients.

8. Payment Terms

8.1 Payment due **Net 45** days from delivery, subject to invoice accuracy.

9. Warranties; Liability

- 9.1 Seller warrants Products are fit for human consumption through stated shelf life.
- 9.2 Liability is limited to the price of the affected goods; no indirect damages.

10. Force Majeure

10.1 Neither party is liable for failure due to causes beyond its control.

11. Termination

11.1 Either party may terminate for material breach after thirty (30) days’ notice and opportunity to cure.

12. Governing Law; Disputes

12.1 English law governs. Disputes are subject to the exclusive jurisdiction of the courts of England and Wales.

Schedule A – Product List; HS; Origin; Baseline Duty

SKU	Description	HS Code	Origin	Baseline UK Duty	DDP Price (GBP)
SE-PASTA-500	Durum wheat pasta (500 g)	1902.19	ES	0%	1.10
SE-SAUCE-TOM	Tomato sauce (glass jar)	2103.20	ES	0%	0.95
SE-OLIVE-EVOO	Extra virgin olive oil (1 L)	1509.10	ES	0%	5.60

Incoterm: DDP Manchester, Incoterms 2020.
Importer-of-Record: Seller.