



חדל"ת 68136-07-24
 חדל"ת 68217-07-27
 בפני כב' הש' סיגל יעקבי
 בקשה מס' ____

בבית המשפט המחוזי
בתל אביב-יפו

מועד חתימה: 9.1.2025

| | |
|----------------|---|
| <u>החוק</u> | בעניין: חוק חדלות פירעון ושיקום כלכלי, התשע"ח-2018 |
| <u>הנאמנים</u> | ובעניין: עו"ד אילן שביט-שטריקס ורו"ח חן ברדיצ'ב בתפקידם כנאמנים ליישום הליך חדלות הפירעון של החברות בעצמם ו/או ע"י ב"כ עו"ד חן סדבון ואח' ממושרד חיים צדוק ושות', עורכי דין רחוב החשמונאים 84, בית לשכת המסחר, תל אביב טלפון: 03-6254000 ; פקסימליה: 03-6254040 |
| <u>החברות</u> | ובעניין: 1. פרנסה ניהול בסד בע"מ, ח.פ. 9-512333-51 (בפירוק) 2. בסדנו יזמות והשקעות בע"מ, ח.פ. 1-487506-51 (בפירוק) |
| <u>הממונה</u> | ובעניין: הממונה על חדלות פירעון ושיקום כלכלי מרח' השלושה 2, תל אביב |

בקשה למתן הוראות

בית המשפט הנכבד מתבקש ע"י הנאמנים ובהתאם לסמכותו בסעי' 44(א)(1) לחוק, כדלהלן:

- ליתן לנאמנים אישור לנקוט בכל ההליכים המשפטיים שיידרשו בשם החברות, לרבות הגשת תביעה ו/או הליכי בוררות ו/או הליכי פירוק, בארץ ו/או בחו"ל (הולנד ו/או ארצות הברית), וזאת כנגד Vital Seeds, כהגדרתה להלן, ו/או כנגד נושאי משרה מטעמה, כמפורט להלן;
- בהתאם להוראות נוהל הממונה (מיום 7.10.2019) (פרק ה'), לאשר כי השכר בעד ניהול ההליכים יחושב באופן מדורג, על פי תקבולי תוצאות ההליכים אשר יגיעו בפועל לקופה;
- ליתן כל סעד אחר הנראה כנכון וצודק לבית המשפט הנכבד בנסיבות העניין;

ואלה טעמי הבקשה

- בהמשך לדיווח שניתן לבית המשפט הנכבד במסגרת דו"ח עדכון מס' 3, פניות מצד הנאמנים להסדיר את הסכסוכים בין חברת **פרנסה ניהול בסד בע"מ** (בפירוק) (להלן גם: "**פרנסה**") לבין Vital Seeds בדרך של הידברות לא זכו לאוזן קשבת.
- בתמצית, המחלוקת נובעת מאי עמידת Vital Seeds בחיוביה מכוח ההסכמים בהתקשרות עם חברת **פרנסה** מחודש דצמבר 2021. לאחרונה, ובין היתר, שלחו הנאמנים ביום 5.12.2024 **מכתב התראה בטרם נקיטת הליכים** (להלן: "**מכתב ההתראה**"), שלא נענה לגופו, ונראה כי לא יהיה מנוס מנקיטת הליכים משפטיים.
 ** העתק מכתב ההתראה, וחלק התכתובות, מצ"ב ומסומן **כנספח "1"**.
- מקורה של ההתקשרות בין הצדדים הינה בהסכמים (להלן ולעיל גם: "**ההסכמים**") מיום 19.12.2021 של **פרנסה**, עם חברה הולנדית, Vital Seeds I B.V. (להלן גם: "**חברת הבת ההולנדית**"), לרבות הסכם הלוואה לפיו העמידה **פרנסה** קרן הלוואה בסך של € 1,600,000, על פי תנאים כאמור שם, ובהסכם רכישת מניות על ידי **פרנסה** מאותו היום (והסכם רכישת מניות על ידי מר אלי גרוס מאותו היום), ובהמשך לתכתובות חוזרות ונשנות, שיחות ופגישות שנתקיימו אל מול נציגי Vital Seeds בהן דרשה **פרנסה** את תיקון ההפרות.
 ** העתק הסכם הלוואה, מצ"ב ומסומן **כנספח "2"**.

**** העתק הסכם רכישת מניות, מצ"ב ומסומן כנספח "3".**

4. מכתב ההתראה מוען גם לדירקטורים של חברת הבת ההולנדית, **Messrs. Talal Daas and Marty Leiter**, וכן לחברת האם האמריקנית, **Vital Seeds, Inc.** (להלן גם: "**חברת האם**"), ומנהלה (**Mr. Kamal Daas**), וזאת לאור מבנה העסקה. בתמצית, פרנסה נתנה הלוואה לחברת הבת ההולנדית כדי שתשמש אותה ל-capital contribution למיזם משותף, בתנאי שכספי הלוואה יוחזקו בנאמנות (Escrow) ביחד עם סכום כסף נוסף שחברת הבת ההולנדית תיכננה לגייס מבנק השקעות שוויצרי כהשקעה בחברת האם האמריקנית. למרות שגיוס ההשקעה הנוספת לא יצא אל הפועל, נעשה שימוש בכספי הלוואה של פרנסה. **הכל בתמצית ומבלי לגרוע מזכויות וטענות.**

5. להשלמת התמונה, ביום 20.3.2024, עוד קודם להליכי חדלות הפירעון, שלחה פרנסה מכתב דרישה בדבר כישלון לביצוע החזר הלוואה, והפרות כלפי פרנסה, מכתב אשר נענה ביום 9.5.2024 (בשם חברת האם וחברת הבת ההולנדית), ואשר לא הביא לריפוי ההפרות.

**** העתק מכתב מיום 20.3.2024, מצ"ב ומסומן כנספח "4".**

**** העתק מכתב מיום 9.5.2024, מצ"ב ומסומן כנספח "5".**

6. כאמור, ביום 5.12.2024 נשלח מכתב התראה בטרם נקיטת הליכים מטעם הנאמנים, שלא נענה לגופו, ועל כן מתבקש בית המשפט הנכבד על ידי הנאמנים **ליתן היתר לנקוט בכל ההליכים המשפטיים שיידרשו לשמירה ולמיצוי זכויות פרנסה.**

7. יובהר, כי **Vital Seeds**¹ מקיימת פעילות בהולנד, בארצות הברית וכן בישראל, כאשר על פי תיאור החברה, הטכנולוגיה של החברה מפתחת זרעי תפוחי אדמה נקיים ועמידים, היא פועלת בשווקי החקלאות במדינות נוספות, והיא היוותה אחת מחברות הפורטפוליו של קבוצת בסדנו, **כאשר ההתקשרות של פרנסה בהסכמים עימה וההתנהלות השוטפת נעשתה באמצעות כמאל דאס, ועם אחיו טלאל דאס, הנזכרים לעיל.**

סוף דבר

8. בנסיבות אלה, ועל מנת שהנאמנים יוכלו לפעול למימוש נכסי קופת הנשייה באופן מיטבי, מתבקש למען הסדר ובהתאם לסמכותו של בית המשפט הנכבד, היתר לנאמנים לנקוט בהליכים משפטיים בשם החברות.

9. למען הסדר, עסקינן בבקשה בה מבקש בעל תפקיד להפעיל סמכות להגשת תביעה, ולפיכך ואין מקום לצרף אליה כמשיבים את הנתבעים הפוטנציאליים וממילא אין צורך בקבלת תגובתם.

10. לפיכך, מתבקש בית המשפט כאמור ברישא הבקשה.

מן הדין ומן הצדק להיעתר לבקשה.


חנ סדבון, עו"ד
חיים צדוק ושות', עורכי דין
ב"כ הנאמנים


חנ סדבון, עו"ד
נאמנים לחברות


אילון שבית-שטריקס, עו"ד
נאמנים לחברות

¹ לתיאור נוסף ר' : <https://www.vital-seeds.com>

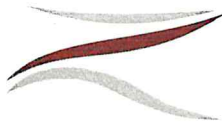
תוכן הנספחים

| | |
|----|---|
| 5 | נספח 1 העתק המכתב וחלק התכתובות עמודים 5 עד 9 |
| 11 | נספח 2 העתק הסכם הלוואה עמודים 11 עד 23 |
| 25 | נספח 3 העתק הסכם רכישת מניות עמודים 25 עד 33 |
| 35 | נספח 4 העתק מכתב מיום 20.3.2024 עמודים 35 עד 36 |
| 38 | נספח 5 העתק מכתב מיום 9.5.2024 עמודים 38 עד 38 |

נספח 1

העתק המכתב וחלק
התכתובות

עמודים 5 עד 9



ZADOK

חיים צדוק ושות' עורכי דין | Zadok Law Offices

| | | |
|----------|------------------|---------|
| OUR REF. | B/661 | מספרנו |
| TEL-AVIV | December 5, 2024 | תל-אביב |

Without Prejudice

Vital Seeds I B.V. (the "**Company**")
Vital Seeds, Inc. (the "**Parent Company**")
Messrs. Talal Daas and Marty Leiter (the "**Company's Directors**")
Mr. Kamal Daas (the "**Parent Company's Director**")

By E-mail: tdaas@vital-seeds.com, marty@leiteronline.com & kdaas@vital-seeds.com

Dear Sirs,

Re: Demand for Immediate Repayment of Loan and Issuance of Shares – Warning before Legal Proceedings

I am hereby addressing you as follows in my capacity as one of the joint trustees in the liquidation proceedings of Parnasa Management Basad Ltd. (in liquidation) ("**Parnasa**") supervised by the District Court in Tel-Aviv-Jaffa (the "**Court**") - (Bankruptcy File Number 68136-07-24).

In its decision of August 12, 2024, the Court appointed me and Mr. Chen Bardichev, CPA as joint trustees (the "**Trustees**") to manage Parnasa in place of its former management and to take any action the Trustees deem fit on behalf of Parnasa in the best interest of its creditors and investors.

This letter is issued in the framework of the Trustees' authority to recover Parnasa's assets into the liquidation fund for the benefit of Parnasa's creditors and investors.

This letter constitutes a last formal demand prior to the initiation of legal proceedings by the Trustees against Vital Seeds I B.V., Vital Seeds, Inc. and their directors as defined above for: (i) the immediate repayment of the loan provided by Parnasa to the Company and (ii) the immediate issuance of the Company's shares as specified herein.

Repayment of Loan under the Loan Agreement

1. According to the Loan Agreement between Parnasa and the Company dated December 19, 2021 (the "**Loan Agreement**"), Parnasa advanced a loan to the Company in the amount of €1.600,000.00 (the "**Loan Amount**").
2. Under the Loan Agreement, the Company undertook to repay the Loan Amount in four (4) equal semi-annual instalments of €400,000.00 each, according to the following repayment schedule:

Chamber of Commerce House
84 HaHashmonaim St., Tel Aviv 6713203, Israel
Phone: 972-3-6254000 | Fax: 972-3-6254040

בית לשכת המסחר, רח' החשמונאים 84, תל אביב 6713203
טלפון: 03-6254000 | פקס: 03-6254040
www.zadokco.co.il | general@zadokco.co.il

- First Installment: June 19, 2022
- Second Installment: December 19, 2022
- Third Installment: June 19, 2023
- Fourth Installment: December 19, 2023

3. Notwithstanding its repayment obligations under the Loan Agreement, as of today, the Company has repaid only the First Instalment, leaving an outstanding balance of €1,200,000.00.

Despite the Company's significant default in repaying the balance of the Loan Amount, Parnasa has agreed to postpone repayment of the remaining instalments *in exchange for the Company's commitment to grant Parnasa 6% of the Company's outstanding shares* (the "**Bonus Shares**"), whereby the Second Instalment was postponed until the end of February 2024.

4. Despite repeated demands by Parnasa, including the demand letter of Parnasa's CEO dated March 20, 2024 (the "**Demand Letter**"), the Company has failed to make the required repayments under the Loan Agreement until the date hereof. This failure to comply with the repayment terms constitutes a material breach of the Loan Agreement and an Event of Default (as defined therein).

The Trustees hereby demand that Vital Seeds I B.V. repay the total amount of €1,200,000 immediately and without further delay to the liquidation fund managed by the Trustees.

Issuance of Purchased Shares under Share Purchase Agreements

1. According to the Share Purchase Agreements between the Company and each of Parnasa and Mr. Eli Gross dated December 19, 2021 (the "**Share Purchase Agreements**", or the "**SPAs**"), the Company undertook to issue Parnasa and Mr. Gross, in consideration for the Purchase Price (as defined in the SPAs) received by the Company, a total of 111 ordinary shares of the Company par value €1 each, representing 10% of the issued and outstanding share capital of the Company immediately following the closing of the SPAs (the "**Purchased Shares**").
2. Despite repeated demands by Parnasa and Mr. Gross to the Company's Directors, including the Demand Letter, the Company failed to issue the Purchased Shares according to the Share Purchase Agreements. This failure to issue the Purchased Shares constitutes a material breach of the Company's contractual obligations according to the Share Purchase Agreements.

The Trustees hereby demand that the Company take immediate action to issue the Purchased Shares according to the Share Purchase Agreements, including,

without limitation, the delivery by the Company of all the Closing Deliverables (as defined in Section 2.2 of the Share Purchase Agreements).

In light of all of the above, to avoid the escalation of this matter and prevent legal actions and the involvement of enforcement authorities, the Trustees urge you to settle the matters set forth in this letter hereinabove within ten (10) business days from the date of this letter. Failure to do so will leave the Trustees with no alternative but to pursue all available legal remedies and proceedings to recover the outstanding Loan Amount including all accrued interest and enforce the issuance of the Purchased Shares and the Bonus Shares, resulting in associated legal costs, including but not limited to attorneys' fees.

Without derogating from the above, one cannot disregard the major issue of the Loan Amount misuse. We are, at this point, not elaborating on Parnas's serious claims against the directors regarding the misappropriation of the loan. However, it is highly recommended that these individuals settle the matter set forth in this letter urgently to avoid any legal action against them for *their personal liability*, as well as the involvement of the competent enforcement agencies and authorities in the United States, the Netherlands and Israel regarding the consequences of *their personal misconduct*.

This letter, its contents, demands, claims, or any omissions therein, do not constitute an admission or waiver on the part of Parnasa and/or the Trustees, nor do they exhaust their claims, demands, causes-of-action, or any relief, right, or remedy granted to them or vested in them according to the Loan Agreement, the Share Purchase Agreements, and/or pursuant to applicable laws.

Sincerely,



Ilan Shavit-Stricks, Adv.

**In his capacity as Court appointed Trustee of Parnasa Management Basad Ltd.
(in liquidation)**

נושא:

FW: Vital Seeds - Warning Letter before Legal Proceedings

From: Talal Daas <tdaas@vital-seeds.com>
Sent: Wednesday, December 18, 2024 3:02 PM
To: Ilan Shavit-Stricks <ilans@zadokco.co.il>
Cc: Marty Leiter <marty@leiteronline.com>
Subject: Re: Vital Seeds - Warning Letter before Legal Proceedings

Mr. Shavit-Stricks,

I am sending you this note to bring to your attention that your email from December 5th 2024 was forwarded to Vital Seeds I B.V.'s (VSBV) legal counsel in the Netherlands; who happened to be on Holiday at the moment. VSBV's counsel will address your communication and get back to you upon his return in January.

Furthermore, the subject contractual agreements were executed between Parnasa and Vital Seeds I B.V.. Your threats of legal proceedings against the directors and Vital Seeds, Inc. are futile and baseless.

Sincerely,
Talal Daas

From: Ilan Shavit-Stricks <ilans@zadokco.co.il>
Date: Thursday, December 5, 2024 at 7:38 AM
To: Talal Daas <tdaas@vital-seeds.com>, Marty Leiter <marty@leiteronline.com>, "kdaas@vital-seeds.com" <kdaas@vital-seeds.com>
Subject: Vital Seeds - Warning Letter before Legal Proceedings

Dear Sirs,

Attached please find a warning letter before legal proceedings issued by the undersigned, in my capacity as Court appointed Trustee of Parnasa Management Basad Ltd. (in liquidation) ("**Parnasa**"), demanding the immediate repayment of the loan extended by Parnasa and the issuance of shares to it.

Please note that, should you not to settle the matters set forth in the attached letter within ten (10) business days, legal proceedings will be initiated against Vital Seeds and its directors and the relevant enforcement authorities will be involved.

Nothing herein shall constitute any admission or waiver on the part of Parnasa and/or its Trustees, nor shall it exhaust their claims, demands, causes-of-action against Vital Seeds and/or its directors, or any relief, right, or remedy granted to them or vested in them according to any agreement and/or pursuant to applicable laws.

Sincerely,

Ilan Shavit-Stricks, Adv.

In his capacity as Court appointed Trustee of Parnasa Management Basad Ltd. (in liquidation)



Ilan Shavit-Stricks, Adv.
Head of Firm & Senior Partner

ilans@zadoko.co.il

Phone: 972-3-6254000

Fax: 972-3-6254040

Chamber of Commerce House,
84 HaHashmonaim St., Tel Aviv 6713203, Israel

www.zadoko.co.il



This e-mail and any attachments are for specific use of the addressee and may contain confidential information which may be privileged. If you are not the intended recipient, you should not disseminate or otherwise use the information contained herein. If you have received this e-mail in error, please notify the sender immediately by telephone or return e-mail. Thank you for your cooperation in this matter.



Before you print, think about the ENVIRONMENT

Message protected by MailGuard: e-mail anti-virus, anti-spam and content filtering.
<https://www.mailguard.com.au/mg>

Message protected by MailGuard: e-mail anti-virus, anti-spam and content filtering.
<https://www.mailguard.com.au/mg>

[Report this message as spam](#)

נספח 2

העתק הסכם
הלוואה

עמודים 11 עד 23

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "**Agreement**") is made as of the 19th day of December 2021 (the "**Effective Date**") by and between Vital Seeds I B.V. a Netherlands corporation with principal place of business at Bergschenhoek, Netherlands (the "**Company**") and Parnasa Management Basad Ltd. an Israeli corporation with principal place of business at 1 Hamarpe St., Jerusalem (the "**Lender**").

WHEREAS, the Company and Corinth Investment AG a Swiss corporation ("**Corinth**") have entered into a joint venture agreement (the "**JV Agreement**") for purposes of production of clean potato mini-tuber seeds for the Dutch market based on the technology known as "Potatoes out of Ground" (the "**PoG Technology**") developed by the parent company of the Company (the "**JV**");

WHEREAS, in connection with the JV, Corinth and the Company contemplate the formation of a new Dutch legal entity, to be owned 70% by the Company and 30% by Corinth (the "**Project Company**", or the "**PC**");

WHEREAS, pursuant to the JV Agreement, Corinth shall invest an approximate amount of €16,000,000 in the PC for purposes of the JV, subject to the provision of €1,400,000 as capital contribution by the Company to the PC to be held in escrow by a third party for purposes of the JV (the "**Escrow Funds**" or the "**Capital Contribution**");

WHEREAS, in furtherance of the foregoing, the parties have agreed that the Lender shall lend the Company an amount of €1,584,000 (the "**Principal Loan Amount**") to be used by the Company as the Capital Contribution in favor of the PC and the JV and working capital as set forth in the Budget included in the Business Plan Documents (defined below);

NOW, THEREFORE, in consideration of the mutual agreements herein contained, and intending to be legally bound, the Lender and the Company agree as follows:

1. LOAN

- 1.1. **The Loan.** Closing of the transaction contemplated under this Agreement shall take place within 3 business days as of the Effective Date remotely, via the exchange of documents and signatures or by such other means or at such other date or place as may be agreed by the Lender and the Company (the date on which the Closing actually occurs, shall hereinafter be referred to as the "**Closing Date**").
- 1.2. **Use of Loan.** The Principal Loan Amount shall serve as the Capital Contribution and shall be used by the Company in accordance with the Budget.
- 1.3. **Interest.** The Principal Loan Amount shall bear interest at an annual rate of 1% compounded annually from the date of advance of the Principal Loan Amount to the Company and until the repayment thereof, plus VAT on the interest, if applicable (the Principal Amount and all accrued and unpaid interest thereon, the "**Loan Amount**").
- 1.4. **Repayment; Maturity Date.** The Loan Amount shall be repaid by the Maturity Date, in four semi-annual equal payments of € 400,000 each, the first payment to be made on the first business day occurring 6 month following the effective date, and the following three additional payments on the first business day occurring 12,

TTLD J

3" cpf"46"o qpvy "hmqy lpi "y g"ghgevkxg"fcvgr tqxkf gf."j qy gxgt"y cvcp{"co qwpv" fvg"cpf"pqv"rckf."uj cmi dg"fvw"cpf"rc{cdrg"qp"y g"ugeqpf"cpplxgtuct{"qh"y ku" Ci tggo gpv"y g"\$Ocwtkf'Fcv\$-0'

3070' *Kvvpvkpcmf 'Qo kvgf ml'

3080 Ugpkqt kl'0 Vj g"Nqcp"Co qwpv"uj cmi dg"ugpkqt"cpf"htuv"lp"tki j v"qhrc{o gpv"vq"cp{" ewtgpv"qt"hwatg"lpf gdvfpguu"lqt"dqttqy gf"o qpg{"qh"y g"Eqo rcp{0Vj g"Eqo rcp{" uj cmi pqv"veng"qp" fgdv"ugpkqt"vq"y g"Nqcp"j gtgwpf gt"y kj qww"y g"r tkqt"y tkwgp" eqpugpv"qh"y g"Ngpf gt"y j lej"y km"pqv"dg" wptgcuqpcdn{"y kj j grf"qt" fgrc{gf" r tqxkf gf"y cvc"tghwucd"qh"y g"Ngpf gt"vq"eqpugpv"vq"cp{"ugpkqt"fgdv"lpewtg"df"y g" Eqo rcp{"qp"y g"i tqwpf u"y cvuwej"fgdv"ko lpkj gu"y g"Eqo rcp{"u"cdkkl"vq"rc{" y g"Nqcp"Co qwpv/ uj cmi dg"eqpukf gtgf"tgcupcdrg-0'

3090 Emulpi 0 Cv"y g"Emulpi."y g"hmqy lpi "vcpucevkpu"uj cmi veng"r nceg."cmi qh"y j lej" uj cmi dg"fggo gf"vq"j cxg"qeewtg"uko vncpgqwu{"cpf"pq"vcpucevkpp"uj cmi dg" fggo gf"vq"j cxg"dgpp"eqo rrvvgf"qt"cp{"f qewo gpw"fglxgtgf"wpkl"cmi uwej" vcpucevkpu"j cxg"dgpp"eqo rrvvgf"cpf"cmi tgs wktgf"fqewo gpw"fglxgtgf"<

300h0 Vj g"Eqo rcp{"uj cmi fgrxgt"vq"y g"Ngpf gt"vvg"cpf"eqttgev"eqr{"qh"y g" o lpwgu"qh"o ggkpi"qh"qh"y g"uj ctj qrfgtu"qh"y g"Eqo rcp{"lp"y g"lqto" cwcej gf"j gtgq"cu" Gzi kll' C" cr rtqxlpi"y ku" Ci tggo gpv"cpf"y g" vcpucevkpu"eqpgo rrvvgf"j gtgd{0'

30040 Vj g"Eqo rcp{"uj cmi fgrxgt"vq"y g"Ngpf gt"vvg"cpf"eqttgev"eqr{"qh"y g"fvw{" gzgewgf"tguqnwkpu"qh"y g"Eqo rcp{"u"dqctf"qh"fgvqtu"y g"\$Dqctf \$+" cr rtqxlpi"y ku"Ci tggo gpv"cpf"y g"vcpucevkpu"eqpgo rrvvgf"j gtgd{"lp"y g" lqto"cwcej gf"j gtgq"cu"Gzi kll'D0

30050 Vj g"Eqo rcp{"uj cmi fgrxgt"vq"y g"Ngpf gt"vvg"wtcpv{"d{"Ot0 mcp"Eqj p." uwdupvcm{"lp"y g"lqto"cwcej gf"j gtgq"cu"Gzi kll'E0

40' F GHCWNV0 P qy kj ucpf lpi "cp{"rtqxkukp"j gtgkp"vq"y g"eqpvtct{"y g"qwuupf lpi "Nqcp" Co qwpv"uj cmi dg"fvw"cpf"rc{cdrg"cvcp{"ko g"y kj qww"cp{"f go cpf."ko o gfkcvn{"wr qp"y g" qeewtgpeg"qh"gej"qh"y g"hmqy lpi "\$Gxgpv'qh'Fghwn\$-<"k" c"dtgej"qh"y g"Nlegpug" Ci tggo gpv"cu"fglpgf"dgmy "+d{"gkj gt"qh"y g"rtvku"y gtgq"kk" c"vcpuhgt"qh"y g"Guetqy" Hwpf u"qt"cp{"rtvku"y gtgqh"lqo"y g"Eqo rcp{"vq"cp{"y kf"rtv"lqt" c"r wtr qug"qv gt" y cp"y g" Guetqy"kk" y g"eqo o gpego gpv"d{"y g"Eqo rcp{"qt"y g"RE"qh"dcptwv{" rks wkf cvkp"qt"fkuaqnwkpp"rtqeggf lpi u."kx+"y g"gzgewkqp"d{"y g"Eqo rcp{"qt"d{"y g"RE"qh" c"i gpgtcn"cuuki po gpv"lqt"y g"dgpgkh"qh"etgf kqtu."x+"y g"hlpi"d{"qt"ci clpuv"y g"Eqo rcp{" qt"y g"RE"qh" c"r gvkqp"lp"dcptwv{"qt" c"r gvkqp"lqt"tgrgh"wpf gt"y g"rtqxkukpu"qh"cp{" cr rlecdr"dcptwv{"rcy"lqt"y g"tgrgh"hf gdvqtu."y j lej"r gvkqp"y cu"pqv"vgo lpcvfg."rlhgf" qt"uc{gf"y kj lp"52"f c{u"y gtgchgt."xk+"y g"cr rqlpvo gpv"qh"tgegkxgt."vwwgg"qt"rks wkf cvqt" vq"veng"r quugukqp"qh"cmi qt"uwdupvcm{"cmi qh"y g"cuugw"qh"y g"Eqo rcp{"qt"y g"RE."y j lej" cr rqlpvo gpv"y cu"pqv"vgo lpcvfg."rlhgf"qt"uc{gf"y kj lp"82"f c{u."xk+"y g"Eqo rcp{"qt"y g" RE"eqo o ku"cp{"o cvgtcln"fglwn"wpf gt"cp{"lpuntwo gpv"qh"lpf gdvfpguu"y kj"cp"ci i tgi cvg" xcng"qh"l tgcvt"y cp"&32.222"y j lej"ku"pgkj gt"tgcupcdn{"eqpvguf"pq"ewtg"y kj lp"52" f c{u"qh"tgegr vqh"y tkwgp"pqv"eg"d{"y g"Eqo rcp{"lqt"y g"tgo qxcn"qh"cp{"f qwdv" c"fgc{"lp" rc{o gpv"qh"cp{"qh"y g"lqwt"ugo kcppwcn"rc{o gpw"tghgtgpegf"lp"Ugevqp"63" gzeggf lpi "52"

TKD



days, should be considered as a material default and be subject to the provisions of this Section 2(vii)), (viii) any lien or attachment is imposed over all or substantially all of the assets of the Company or the PC or over any material asset of the Company or the PC or any execution proceedings are carried out with respect to any such assets, (ix) either the Company or the PC ceases or threatens to cease wholly or substantially to carry on its business; or (x) the material breach of a representation, warranty or covenant of the Company contained in this Agreement.

The Company shall notify the Lender within 5 business days of the existence of any of the circumstances listed in this Section 2..

Upon the occurrence of an Event of Default whether independently discovered or becoming known to the Lender or notified to the Lender by the Company, the Lender shall be entitled to initiate and carry out any and all legal activity required in order to enforce the provisions of this Agreement and collect the full payment of the Loan Amount.

3. **REPRESENTATIONS AND WARRANTIES OF THE COMPANY.** The Company hereby represents and warrants to the Lender that the following representations and warranties are true and correct as of date hereof:

3.1. Organization. The Company is duly organized and validly existing under the laws of the Netherlands, and has full corporate power and authority to own, lease and operate its properties and assets and to conduct its business. The Company has all requisite power and authority to execute and deliver this Agreement and to consummate the transactions and perform its obligations contemplated hereby and thereby. The Company has all franchises, permits, licenses, and any similar authority necessary or required under any law, regulation, rule or ordinance, for the conduct of its business as now being conducted and as proposed to be conducted, and the Company is not in default under any of the same. No proceeding or resolution for bankruptcy, dissolution, liquidation, winding-up, appointment of a receiver and/or similar proceeding has been instituted or taken by the Company, and to the best of the Company's knowledge, no such proceeding has been instituted or threatened against the Company. **Schedules 3.1** contains copies of the Company's governing documents.

3.2. Authorization; Approvals. All corporate action on the part of the Company, its shareholders and directors necessary for the authorization, execution, delivery, and performance of all of the Company's obligations under this Agreement has been taken. The Agreement, when executed and delivered by or on behalf of the Company, shall be duly and validly authorized, executed and delivered, and assuming the due authorization, execution and delivery by the other parties thereto, shall constitute the valid and legally binding obligations of the Company, legally enforceable against it in accordance with its respective terms. No consent, approval, order, license, permit, action by, or authorisation of or designation, declaration, or filing with any governmental authority on the part of the Company is required that has not been obtained by the Company prior to the date hereof in connection with the valid execution, delivery and performance of the Agreement.

3.3. Share Capital.

3.3.1. **Schedule 3.3** attached hereto is a complete and correct capitalization table of

the Company (the “**Capitalization Table**”), setting forth the number and class of shares held by each shareholder of the Company, and the total number of reserved and granted options, warrants, and all other rights to subscribe for, purchase or acquire from the Company any share capital of the Company, all as of immediately prior to and immediately following the Closing. The persons identified in the Capitalization Table are the sole shareholders of the Company the lawful owners, beneficially and of record, of all of the issued and outstanding share capital of the Company. All rights to the share capital of the Company are free and clear of all liens, claims, charges, encumbrances, restrictions, options to purchase, proxies, voting trust and other voting agreements, calls or commitments of every kind, and no person owns any other shares, options or other rights to subscribe for, purchase or acquire any share capital of the Company from the Company or from any other person.

- 3.3.2. The share capital of the PC shall be as set forth in the preamble to this Agreement (i.e. – 70% to be held by the Company and 30% by Corinth, on a fully diluted basis as of the date of the formation of the PC). The Company shall provide the Lender, immediately upon formation of the PC, with copies of the incorporation documents of the PC, including a formal transcript setting forth the holdings of the shareholders in the PC.

3.4. Parent Company; Subsidiaries. Vital Seeds, Inc. an Illinois corporation (the “**Parent**”) is a controlling shareholder of the Company, holding 90% of its share capital of which 1% Parent has pledged to Mr. Willem de Jong (a Dutch citizen). **Schedule 3.4** contains a copy of the Parent’s updated articles of incorporation.

3.5. Directors, Officers. The directors and officers of the Company are the persons specified in **Schedule 3.5** attached hereto.

3.6. Liabilities. The Company has no liabilities, debts or obligations other than the liabilities set forth in **Schedule 3.6** attached hereto. The Company is not a guarantor of any debt or obligation of another, nor has the Company given any indemnification, loan, security or otherwise agreed to become liable for any obligation of any person, and no person has given any guarantee of, or security for, any obligation of the Company.

3.7. Compliance with Other Instruments. Neither the Company nor the Parent is in default: (i) under the respective companys’ articles of association (the “**Articles**”); (ii) under any note, indenture, mortgage, lease, agreement, contract, purchase order or other instrument, document or agreement to which the Company or the Parent, is a party or by which the Company or Parent, or any of their assets, are bound or affected; or (iii) with respect to any law, statute, ordinance, regulation, order, writ, injunction, decree or judgment of any court or any governmental department, commission, board, agency or instrumentality, domestic or foreign. To the knowledge of the Company, no third party is in default under any agreement, contract or other instrument, document or agreement to which the Company is a party or by which it or any of its assets are affected.

3.8. No Breach. Neither the execution and delivery of this Agreement, nor compliance by the Company with the terms and provisions thereof, will conflict with, or result in a breach or violation of, any of the terms, conditions and

provisions of: (i) the Articles; (ii) any judgment, order, injunction, decree, or ruling of any court or governmental authority, domestic or foreign; (iii) any agreement, contract, lease, license or commitment to which the Company or the Parent is a party or to which any of them is subject; or (iv) applicable law or regulation. Such execution, delivery and compliance will not give to others any rights, including rights of termination, cancellation or acceleration, in or with respect to any agreement, contract or commitment referred to in this paragraph, or to any of the properties of the Company.

3.9. Intellectual Property.

- 3.9.1. Schedule 3.9.1 contains a complete and accurate list of all Registered IP licensed to Parent (including the jurisdiction in which each such item of Intellectual Property has been registered or filed and the applicable registration, application or serial number or similar identifier), including, without limitation, the PoG Technology (hereinafter: "VS IP"). The VS IP is owned by Vital Farms B.V. (a Dutch company), which is an affiliate of the Parent and is exclusively licensed to the Parent
- 3.9.2. Each item of the VS IP is valid, subsisting, and in full force and effect (except with respect to applications).
- 3.9.3. The Company, after the Closing Date, will be a licensee pursuant to the following section 3.9.4.
- 3.9.4. The Parent will provide (and undertakes to do so) the PC with a non-exclusive license to use the PoG Technology and the VS IP as presented to the Lender for purposes of the JV. [A copy of the license agreement form as will be executed after formation of the Project Co. is attached hereto as Schedule 3.9.4 (the "License Agreement").
- 3.9.5. No VS IP including, without limitation the Intellectual Property related to the PoG Technology, or any part thereof, is subject to any claim of a third party or security interest, including such claim that restricts or may in any manner restrict the use by the Company or may affect the validity, use or enforceability of such IP.
- 3.9.6. To the best of knowledge of the Company, the VS IP comprises all the Intellectual Property used or necessary to conduct the business of the Company as currently conducted and as contemplated to be conducted by the Company in connection with the JV and the Company will not require any right or license under the Intellectual Property Rights of a third party that is not owned by, or properly licensed to, the Company as of the date hereof.
- 3.9.7. No Person other than Vital Farms B.V. owns, or claims to own, Intellectual Property right in the VS IP.
- 3.9.8. To the best of the Company's knowledge and that of its directors and officers, the operation of the business of the Company and Parent including the design, development, use, import, branding, advertising,

TKD



promotion, marketing, manufacture, provision, delivery, licensing and sale of any assets or products of the Parent or the Company and, has not infringed or misappropriated and does not infringe or misappropriate and the Company knows of no reason why it would be claimed to infringe or misappropriate any Intellectual Property rights of any Person, violate any material right of any Person (including any right to privacy or publicity), or constitute unfair competition or trade practices under the laws of any jurisdiction.

- 3.9.9. The Company has not received written notice from any Person claiming that any VS IP infringes or misappropriates any Intellectual Property Rights of any Person or constitutes unfair competition or trade practices under the laws of any jurisdiction (nor does the Company have knowledge of any basis therefor).
- 3.9.10. To the knowledge of the Company, no Person has infringed or misappropriated, or is infringing or misappropriating, any VS IP .
- 3.9.11. The Company has taken reasonable measures to protect its Confidential Information and Trade Secret Rights and the Confidential Information and trade secret rights of any third party provided to the Company. To the knowledge of the Company, there has been no unauthorized disclosure or use of any of the Company's or third party's Confidential Information and trade secret rights.
- 3.9.12. The Company and the Parent have taken reasonable measures to maintain and back-up records, data and information regarding the Company's formulations, processes, manufacturing, formulas, ideas, know-how, methods or techniques and any other information required in the ordinary course of business and for the operation of the business of the Parent and the Company and such records, data and information are adequately documented and recorded.
- 3.9.13. The Company and the Parent are in compliance with all applicable laws regarding the collection, use and protection of personal information, including in connection with the collection of such information from the Company's and the Parent's contractors, suppliers, vendors and clients, and with the privacy policy, and to the Company's knowledge no unauthorized Person has gained unauthorized access to or made any unauthorized use of any such Personal Information maintained by the Company and the Parent.

For purposes herein, the following terms shall have the following meanings:

TIRD



“Confidential Information” means confidential, proprietary or commercially sensitive information relating to the Parent or the Company, or their respective employees, board members, customers, vendors, or other business partners and their businesses, operations, or affairs, including, without limitation, information relating to products, formulations, protocols, processes, designs, formulae, ideas, know-how, test methods, evaluation techniques, patents, trade secrets, scientific or technical data, regardless of the form in which it is maintained or provided, orally or in writing, whether prepared by the Company or the Parent, their respective employees, board members, customers, vendors, or other business partners or by a third party together with all analyses, compilations, notes and other documents.

“Intellectual Property” means all forms of intellectual property, including any or all of the following: (i) published and unpublished works of authorship (whether or not registered or registrable), including without limitation audiovisual works, collective works, software and computer programs (whether in source code, object code, or executable form), documentation, compilations, databases, derivative works, literary works and sound recordings; (ii) integrated circuits and mask works; (iii) inventions (whether or not patentable), discoveries, improvements, business methods, compositions of matter, machines, methods, and processes and new uses for any of the preceding items; (iv) registered and unregistered design rights; (v) Confidential Information, including information that is not generally known or readily ascertainable through proper means, whether tangible or intangible, which may include, without limitation, algorithms, ideas, formulas, know-how, methods, processes, programs, prototypes, systems, and techniques; (vi) databases, data compilations and collections and technical data; (vii) words, names, symbols, devices, designs, and other designations, and combinations of the preceding items, used to identify or distinguish a business, good, group, product, or service or to indicate a form of certification, including without limitation logos, trade names, trade dress, trademarks and service marks; and (viii) domain names, web addresses and sites and including, for the avoidance of doubt, any Company Registered Intellectual Property.

“SV IP” means all Intellectual Property owned by or licensed to the Parent.

“Person” means any natural person, general or limited partnership, corporation, limited liability company, firm, association or other legal entity.

“Registered IP” means Intellectual Property Rights that have been registered or otherwise perfected or recorded with or by any governmental authority or other public or quasi-public legal authority.

“Company/Parent Registered IP” means Registered IP of the Company and/or the Parent.

3.10. Taxes. The Company and Parent have accurately prepared and timely filed all tax returns and reports required (if required) by them under applicable law. All tax returns and reports of the Parent and the Company, if any, are true and correct in all material respects and the Parent and the Company have paid on time all taxes and other assessments due, if any. Neither the Company nor Parent has ever been audited by and no issues have been raised or adjustments made or proposed by any tax authority, domestic or foreign, in

connection with any such taxes or tax returns and the Company has no knowledge, after due inquiry, of any proposed liability for any tax (whether income tax, capital gains tax, or otherwise) to be imposed on the Company or the Parent. The Company and Parent have withheld and paid all taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, creditor, independent contractor, stockholder, member or other third party. To the Company's knowledge, there is no tax lien (other than for current taxes not yet due and payable under applicable law), imposed by any taxing authority, outstanding against the assets, properties or business of the Company or the Parent.

3.11. Contracts. **Schedule 3.11** attached hereto contains a true and complete list of all Material Contracts and Agreements (oral or written) to which the Company is a party or by which its property is bound. Each such Material Contract and Agreement is valid, is in full force and effect, and binding upon the Company, and neither the Company nor, to the knowledge of the Company, any other party thereto is in breach thereof. True and correct copies of all such Material Contracts and Agreements have been delivered to the Lender. For the purpose of this Agreement the term "Material Contracts and Agreements" shall mean any contract and/or agreement with an aggregate value exceeding USD 100,000.

3.12. Litigation. No action, proceeding or governmental inquiry or investigation is pending or, to the knowledge of the Company, is threatened against, or in connection with, the JV, the Company, the Parent or any of their respective shareholders, officers, directors or employees (in their capacity as such), or against the founders of Parent (in their capacity as such), or against any of the Company's properties, or with regard to the Company's business, before any court, arbitration board or tribunal or administrative or other governmental agency, nor, to the knowledge of the Company, there is any basis for the foregoing. There is no action, suit, proceeding or investigation by the Company, the Parent or the founder of Parent currently pending or that any of the Company, the Parent or the founders of the Parent intends to initiate.

3.13. Interested Party Transactions. (i) No officer, director or shareholder of the Company, or any affiliate of any such person or entity or the Company, has or has had, either directly or indirectly: (x) an interest in any person or entity which (a) furnishes or sells services or products which are furnished or sold or are proposed to be furnished or sold by the Company, or (b) purchases from or sells or furnishes to the Company any goods or services, or (y) a beneficial interest in any contract or agreement to which the Company is a party or by which it may be bound or affected; (ii) there are no existing arrangements or currently proposed transactions between the Company and any officer, director, or shareholder of the Company, or any affiliate or associate of any such person; and (iii) no employee, shareholder, officer, or director of the Company is indebted to the Company, nor is the Company indebted (or committed to make loans or extend or guarantee credit) to any of them.

3.14. Employees and Service Providers. The Company has complied with all applicable employment laws, policies, procedures and agreements relating to employment, terms and conditions of employment and to the proper withholding and remission to the proper tax and other authorities of all sums required to be withheld from employees or persons deemed to be employees under applicable laws respecting such withholding. The Company has paid in full to all of its employees and consultants all

TKD J

wages, salaries, commissions, bonuses, benefits and other compensation due and payable to them on or prior to the date hereof and there is no dispute pending between the Company or any one of the foregoing. The Company is not bound by, or subject to (and none of its assets or properties is bound by or subject to), any written or oral, express or implied, contract, commitment or arrangement with any labor union. To the knowledge of the Company, neither the employment by the Company of any of its employees, nor the engagement by it with any of its respective consultants, constitutes is likely to constitute a breach of any of such persons' obligations to third parties, including non-competition or confidentiality obligations.

3.15. Business Plan. The Company's current business plan/executive summary including a budget (the "**Budget**"), both of which are attached hereto as **Schedule 3.153.15** (collectively, the "**Business Plan Documents**"), have been prepared in good faith and with reasonable professional care by the Company. The financial projections set out in the Business Plan Documents have been prepared with due diligence, care and consideration, and there are no other material facts or matters of which the Company is aware which may render the Business Plan Documents untrue or misleading in any material way.

3.16. Full Disclosure. The Company has disclosed to the Lender any material information required for deciding whether to extend the Loan. Neither this Agreement (including the Schedules hereto) nor any certificates made or delivered in connection herewith contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements herein or therein not misleading, in view of the circumstances in which they were made. There is no material fact or information known to the Company or the Parent relating to the business, prospects, condition (financial or otherwise), affairs, operations, or assets of the Company that has not been disclosed to the Lender in writing.

4. **REPRESENTATIONS AND WARRANTIES OF THE LENDER.** The Lender hereby represents and warrants to the Company as of date hereof and as of the Closing that:

- 4.1. It is duly organized and validly existing under the laws of the State of Israel; it has full corporate power and authority to execute this Agreement and to perform its obligations hereunder.
- 4.2. All corporate action on its part necessary for the authorization, execution, delivery and performance by it of this Agreement has been taken.
- 4.3. This Agreement, when executed and delivered by the Lender will constitute the valid, binding and enforceable obligation of the Lender, and shall be legally enforceable against it in accordance with its respective terms subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies.
- 4.4. The consummation of the transactions contemplated hereunder and the performance of this Agreement by it do not violate the provisions of its corporate documents, any applicable law, and will not result in any breach of, or constitute a material default under, any material agreement or instrument to which it is a party or under which he is bound.

TRD



5. **COMPANY'S UNDERTAKINGS.**

5.1. **Information Rights.** For so long as the Loan Amount or any part thereof remains outstanding, the Lender shall be entitled to the following information rights: (a) as soon as practicable, but in any event within 60 days after the end of each fiscal year of the Company, such year-end financial reports, which shall include an income statement for such fiscal year, a balance sheet of the Company and statement of shareholder's equity as of the end of such year, and a statement of cash flows for such year; (b) such other information as reasonably requested by the Lender; and (c) as soon as practicable, but in any event within 120 days after the end of each fiscal year of the Company, such year-end financial reports, which shall include an income statement for such fiscal year, a balance sheet of the Company and statement of shareholder's equity as of the end of such year, and a statement of cash flows for such year audited by an independent auditor.


5.2. **Protective Provisions.** Until the full repayment of the Loan Amount, the Company shall not, whether by action or through resolution of the Company's shareholders or directors, take any of the following actions without obtaining first the written approval of the Lender, such approval not be unreasonable withheld: (i) liquidate, dissolve or wind-up the affairs of the Company, or effect any merger or consolidation with another entity, including also by disposition of substantial assets of the Company (ii) pay any dividend to its shareholders; (iii) create or authorize the creation of any debt in excess of US\$100,000 (one hundred thousand USD) in the aggregate (iv) amend the Company's Budget to reflect a deviation of more than 15% from the overall approved Budget included in the Business Plan Documents; (v) enter into any 'interested party transaction', where such transaction involves a director, officer, shareholder, or key employee of the Company or any affiliate thereof; (vi) acquire control or substantially all the assets or property of another entity; or (vii) effect any material change in the Company's business.

6. **TAXES.**

6.1. Any taxes, levies, charges and other duties or other amounts, that are levied or due in connection with the repayment of the Loan Amount by the Company, shall be borne by the Lender (except for the VAT, to the extent applicable, on accrued interest which will be paid by the Company pursuant to Section 1.3 above). In the event that pursuant to any law or regulation, tax is required to be withheld at source from any repayment made to the Lender, the Company shall withhold said tax at the rate set forth in the certification issued by applicable tax authority at the rate determined by said law or regulation, unless such Lender has presented the Company with a valid tax withholding exemption certificate issued by the applicable tax authority.


7. **MISCELLANEOUS.**

7.1. Each of the parties hereto shall perform such further acts and execute such further documents as may reasonably be necessary to carry out and give full effect to the provisions of this Agreement and the intentions of the parties as reflected thereby.

TLD 

- 7.2. Each party shall bear its own expenses incurred with respect to this Agreement.
- 7.3. Governing Law and Jurisdiction. Any dispute arising in connection with this Agreement shall be resolved by an arbitrator, the identity of which shall be mutually agreed upon within 14 days following emergence of such dispute. If the parties have not agreed on the identity of the arbitrator within such 14 days, then such dispute shall be resolved exclusively in the competent court located in Tel Aviv-Jaffa, Israel and each of the parties hereby irrevocably submits to the exclusive jurisdiction of such court. Each of the parties hereto (i) consents to submit itself to the exclusive jurisdiction of the abovementioned courts in the event any dispute arises out of this Agreement or the transactions contemplated by this Agreement, (ii) agrees that it shall not attempt to deny or defeat such jurisdiction by motion or other request for leave from the abovementioned court, (iii) agrees that it shall not bring any action relating to this Agreement or the transactions contemplated by this Agreement in any court other than the abovementioned court.
- 7.4. Except as otherwise expressly limited herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors, and administrators of the parties hereto. None of the rights, privileges, or obligations set forth in, arising under, or created by this Agreement may be assigned or transferred by the Company without the consent of the Lender. The Lender shall be entitled to assign this Agreement to any of its affiliates controlled by the Lender without the prior written consent of the Company.
- 7.5. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subject matters hereof and thereof. The preamble hereto and the exhibits hereof constitute integral parts hereof. Any term of this Agreement may be amended or terminated and the observance of any term hereof may be waived (either prospectively or retroactively and either generally or in a particular instance) with the written consent of the Company and the Lender.
- 7.6. All notices and other communications required or permitted hereunder to be given to a party to this Agreement shall be in writing and shall be mailed by registered or certified mail, postage prepaid, electronic mail or otherwise delivered by hand or by messenger. Any notice sent in accordance with this Section shall be effective (i) if mailed, seven (7) days after mailing, (ii) if sent by messenger, upon delivery, and (iii) if sent via electronic mail, on the first business day following such transmission.
- 7.7. If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable under applicable law, then such provision shall be excluded from this Agreement and the remainder of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms; *provided, however*, that in such event this Agreement shall be interpreted so as to give effect, to the greatest extent consistent with and permitted by applicable law, to the meaning and intention of the excluded provision as determined by such court of competent jurisdiction.
- 7.8. In the event of any default hereunder, the Company shall pay all expenses, including reasonable attorneys' fees and court costs incurred by the other party in

TKD



enforcing and collecting this Agreement and the Loan Amount, subject only to limitation under applicable law, if any.

[Remainder of Page Left Intentionally Blank]

TICK

f

IN WITNESS WHEREOF, the parties have signed this Agreement in one or more counterparts as of the date first hereinabove set forth.

THE COMPANY:

VITAL SEEDS I B.V.

By: Talal Daas

Title: Managing Director

Date: Talal Daas, December 19, 2021

THE LENDER:

PARNASA MANAGEMENT BASAD LTD

By: Baruch Eliezer Gross

Title: CEO מנכ"ל ניהול בסד בע"מ

Date: 515123339 .ס.ח

[Signature page to Vital Seeds Loan Agreement]

J

נספח 3

העתק הסכם רכישת מניות
עמודים 25 עד 33

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT (this "**Agreement**") is made as of the 19th day of December 2021 (the "**Effective Date**") by and between Vital Seeds I B.V. a Netherlands corporation with principal place of business at Bergschenhoek, Netherlands (the "**Company**") and Parnasa Management Basad Ltd. an Israeli corporation with principal place of business at 1 Hamarpe Street, Jerusalem (the "**Purchaser**").

WITNESSETH:

WHEREAS, the Company and Corinth Investment AG a Swiss corporation ("**Corinth**") have entered into a joint venture agreement (the "**JV Agreement**") for purposes of production of clean potato mini-tuber seeds for the Dutch market based on the technology known as "Potatoes out of Ground" (the "**PoG Technology**") developed by the parent company of the Company (the "**JV**");

WHEREAS, in connection with the JV, Corinth and the Company contemplate the formation of a new Dutch legal entity, to be owned 70% by the Company and 30% by Corinth (the "**Project Company**", or the "**PC**");

WHEREAS, the Company wishes to issue and sell to the Purchaser, and the Purchaser wishes to purchase from the Company the Sale Shares (as defined below), all pursuant to the terms and conditions more fully set forth in this Agreement; and

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties hereby agree to the following:

1. Purchase and Sale of the Sale Shares

1. Subject to the terms and conditions hereof and on the basis of the representations, warranties and covenants of the Company, in return for the payment of Euro 8,800 (the "**Purchase Price**") made by the Purchaser to the Company, the Investor hereby subscribes for and agrees to purchase from the Company the total of 61 ordinary shares of the Company par value Euro 1 each (the "**Sale Shares**") at a price per share equal to Euro 144.144, representing 5.5% of the issued and outstanding share capital of the Company immediately following the Closing.

2. Closing.

2.1 Closing of the transaction contemplated under this Agreement shall take place on the Effective Date remotely, via the exchange of documents and signatures or by such other means or at such other date or place as may be agreed by the Company and the Purchaser (the date on which the Closing actually occurs, shall hereinafter be referred to as the "**Closing Date**").

2.2 Closing Deliveries. At the Closing, the following transactions shall take place, all of which shall be deemed to have been occurred simultaneously and no transaction shall be deemed to have been completed or any documents delivered until all such transactions have been completed and all required documents delivered: (I) the Company shall deliver to the Purchaser copies of the following resolutions: (I) a resolution of the board of directors of the Company, approving the Company's execution and performance of this Agreement including all documents and agreements ancillary thereto and the transactions contemplated hereby; and (II) a written confirmation of the shareholders of the Company as to such shareholders' waiver of their respective preemptive rights in connection with the investment contemplated pursuant to this Agreement; and (III) the Company shall issue to the Purchaser the Sale Shares within 3 business days as of the Closing Date.

TRD J

3. Representations and Warranties

The Company hereby represents and warrants to the Purchaser that the following representations and warranties are true and correct as of date hereof, except as set forth in the Schedule of Exceptions attached hereto as **Schedule 3** ("*Schedule of Exceptions*").

3.1 Organization. The Company is duly organized and validly existing under the laws of the Netherlands, and has full corporate power and authority to own, lease and operate its properties and assets and to conduct its business. The Company has all requisite power and authority to execute and deliver this Agreement and to consummate the transactions and perform its obligations contemplated hereby and thereby. The Company has all franchises, permits, licenses, and any similar authority necessary or required under any law, regulation, rule or ordinance, for the conduct of its business as now being conducted and as proposed to be conducted, and the Company is not in default under any of the same. No proceeding or resolution for bankruptcy, dissolution, liquidation, winding-up, appointment of a receiver and/or similar proceeding has been instituted or taken by the Company, and to the best of the Company's knowledge, no such proceeding has been instituted or threatened against the Company. Schedules 3.1 contains copies of the Company's governing documents.

3.2 Authorization; Approvals. All corporate action on the part of the Company, its shareholders and directors necessary for the authorization, execution, delivery, and performance of all of the Company's obligations under this Agreement has been taken. The Agreement, when executed and delivered by or on behalf of the Company, shall be duly and validly authorized, executed and delivered, and assuming the due authorization, execution and delivery by the other parties thereto, shall constitute the valid and legally binding obligations of the Company, legally enforceable against it in accordance with its respective terms. No consent, approval, order, license, permit, action by, or authorisation of or designation, declaration, or filing with any governmental authority on the part of the Company is required that has not been obtained by the Company prior to the date hereof in connection with the valid execution, delivery and performance of the Agreement.

3.3 Share Capital. **Schedule 3.3** attached hereto is a complete and correct capitalization table of the Company, pre and post transaction (the "*Capitalization Table*"), setting forth, as of immediately prior to and immediately following the Closing, the number and class of shares held by each shareholder of the Company, and the total number of reserved and granted options, warrants, and all other rights to subscribe for, purchase or acquire from the Company any share capital of the Company, all as of immediately prior to and immediately following the Closing. The persons identified in the Capitalization Table are the sole the shareholders of the Company the lawful owners, beneficially and of record, of all of the issued and outstanding share capital of the Company. All rights to the share capital of the Company are free and clear of all liens, claims, charges, encumbrances, restrictions, options to purchase, proxies, voting trust and other voting agreements, calls or commitments of every kind, and no person owns any other shares, options or other rights to subscribe for, purchase or acquire any share capital of the Company from the Company or from any other person.

3.4 Parent Company; Subsidiaries. Vital Seeds, Inc. an Illinois corporation (the "*Parent*") is a controlling shareholder of the Company, holding 90% of its share capital.

3.5 Directors, Officers. The directors and officers of the Company are the persons specified in **Schedule 3.5** attached hereto.

3.6 Liabilities. The Company has no liabilities, debts or obligations other than the liabilities set forth in **Schedule 3.6** attached hereto. The Company is not a guarantor of any debt or obligation of another, nor has the Company given any indemnification, loan, security or otherwise agreed to become liable for any

obligation of any person, and no person has given any guarantee of, or security for, any obligation of the Company.

3.7 Compliance with Other Instruments. Neither the Company nor the Parent is in default: (i) under the respective companies' articles of association (the "**Articles**"); (ii) under any note, indenture, mortgage, lease, agreement, contract, purchase order or other instrument, document or agreement to which the Company or the Parent, is a party or by which the Company or Parent, or any of their assets, are bound or affected; or (iii) with respect to any law, statute, ordinance, regulation, order, writ, injunction, decree or judgment of any court or any governmental department, commission, board, agency or instrumentality, domestic or foreign. To the knowledge of the Company, no third party is in default under any agreement, contract or other instrument, document or agreement to which the Company is a party or by which it or any of its assets are affected.

3.8 No Breach. Neither the execution and delivery of this Agreement, nor compliance by the Company with the terms and provisions thereof, will conflict with, or result in a breach or violation of, any of the terms, conditions and provisions of: (i) the Articles; (ii) any judgment, order, injunction, decree, or ruling of any court or governmental authority, domestic or foreign; (iii) any agreement, contract, lease, license or commitment to which the Company or the Parent is a party or to which any of them is subject; or (iv) applicable law or regulation. Such execution, delivery and compliance will not give to others any rights, including rights of termination, cancellation or acceleration, in or with respect to any agreement, contract or commitment referred to in this paragraph, or to any of the properties of the Company.

3.9 Intellectual Property.

(a) Schedule (a)3.9.1 contains a complete and accurate list of all Registered IP to which the Parent and the Company have the right to (including the jurisdiction in which each such item of Intellectual Property has been registered or filed and the applicable registration, application or serial number or similar identifier), including, without limitation, the PoG Technology (hereinafter: "**VS IP**"). The VS IP is owned by Vital Farms, which is an affiliate of the Parent and is exclusively licensed to the Parent.

(b) Each item of the VS IP is valid, subsisting, and in full force and effect (except with respect to applications).

(c) The Company is, and after the Closing Date will be, a licensee under the VS IP.

(d) The Parent will provide (and undertakes to do so) the company that will be formed by the Company (together with Corinth) for carrying out the project in the Netherlands (the "**Project Co.**"), provided the Company with a non-exclusive, unrestricted license, to use the PoG Technology and the VS IP as presented to the Purchaser for purposes of the JV. [A copy of the license agreement form as will be executed after formation of the Project Co. is attached hereto as Schedule 3.9 (d)].

(e) No VS IP including, without limitation the Intellectual Property related to the PoG Technology, or any part thereof, is subject to any claim of a third party or security interest, including such claim that restricts or may in any manner restrict the use by the Company or may affect the validity, use or enforceability of such IP.

(f) To the best of our knowledge and belief, the VS IP comprises all the Intellectual Property used or necessary to conduct the business of the Company as currently conducted and as contemplated to be conducted by the Company in connection with the JV and the Company will not require any right or license under the Intellectual Property Rights of a third party that is not owned by, or properly licensed to, the Company as of the date hereof.

TIRD J

(g) No Person other than the Parent or Vital Forms owns, or claims to own, Intellectual Property right in the VS IP.

(h) To the best of the Company's knowledge and that of its directors and officers, the operation of the business of the Company and Parent including the design, development, use, import, branding, advertising, promotion, marketing, manufacture, provision, delivery, licensing and sale of any assets or products of the Parent or the Company and, has not infringed or misappropriated and does not infringe or misappropriate and the Company knows of no reason why it would be claimed to infringe or misappropriate any Intellectual Property rights of any Person, violate any material right of any Person (including any right to privacy or publicity), or constitute unfair competition or trade practices under the laws of any jurisdiction.

(i) The Company has not received written notice from any Person claiming that any VS IP infringes or misappropriates any Intellectual Property Rights of any Person or constitutes unfair competition or trade practices under the laws of any jurisdiction (nor does the Company have knowledge of any basis therefor).

(j) To the knowledge of the Company, no Person has infringed or misappropriated, or is infringing or misappropriating, any VS IP.

(k) The Company has taken reasonable measures to protect its Confidential Information and Trade Secret Rights and the Confidential Information and trade secret rights of any third party provided to the Company. To the knowledge of the Company, there has been no unauthorized disclosure or use of any of the Company's or third party's Confidential Information and trade secret rights.

(l) The Company and the Parent have taken reasonable measures to maintain and back-up records, data and information regarding the Company's formulations, processes, manufacturing, formulae, ideas, know-how, methods or techniques and any other information required in the ordinary course of business and for the operation of the business of the Parent and the Company and such records, data and information are adequately documented and recorded.

(m) The Company and the Parent are in compliance with all applicable laws regarding the collection, use and protection of personal information, including in connection with the collection of such information from the Company's and the Parent's contractors, suppliers, vendors and clients, and with the privacy policy, and to the Company's knowledge no unauthorized Person has gained unauthorized access to or made any unauthorized use of any such Personal Information maintained by the Company and the Parent.

For purposes herein, the following terms shall have the following meanings:

"Confidential Information" means confidential, proprietary or commercially sensitive information relating to the Parent or the Company, or their respective employees, board members, customers, vendors, or other business partners and their businesses, operations, or affairs, including, without limitation, information relating to products, formulations, protocols, processes, designs, formulae, ideas, know-how, test methods, evaluation techniques, patents, trade secrets, scientific or technical data, regardless of the form in which it is maintained or provided, orally or in writing, whether prepared by the Company or the Parent, their respective employees, board members, customers, vendors, or other business partners or by a third party together with all analyses, compilations, notes and other documents.

TICD J

“Intellectual Property” means all forms of intellectual property, including any or all of the following: (i) published and unpublished works of authorship (whether or not registered or registrable), including without limitation audiovisual works, collective works, software and computer programs (whether in source code, object code, or executable form), documentation, compilations, databases, derivative works, literary works and sound recordings; (ii) integrated circuits and mask works; (iii) inventions (whether or not patentable), , discoveries, improvements, business methods, compositions of matter, machines, methods, and processes and new uses for any of the preceding items; (iv) registered and unregistered design rights; (v) Confidential Information, including information that is not generally known or readily ascertainable through proper means, whether tangible or intangible, which may include, without limitation, algorithms, ideas, formulas, know-how, methods, processes, programs, prototypes, systems, and techniques; (vi) databases, data compilations and collections and technical data; (vii) words, names, symbols, devices, designs, and other designations, and combinations of the preceding items, used to identify or distinguish a business, good, group, product, or service or to indicate a form of certification, including without limitation logos, trade names, trade dress, trademarks and service marks; and (viii) domain names, web addresses and sites and including, for the avoidance of doubt, any Company Registered Intellectual Property.

“VS IP” means all Intellectual Property owned by the Parent and/or the Company.

“Person” means any natural person, general or limited partnership, corporation, limited liability company, firm, association or other legal entity.

“Registered IP” means Intellectual Property Rights that have been registered or otherwise perfected or recorded with or by any governmental authority or other public or quasi-public legal authority.

“Company/Parent Registered IP” means Registered IP of the Company and/or the Parent.

3.10 Taxes. The Company and Parent have accurately prepared and timely filed all tax returns and reports required (if required) by them under applicable law. All tax returns and reports of the Parent and the Company, if any, are true and correct in all material respects and the Parent and the Company have paid on time all taxes and other assessments due, if any. Neither the Company nor Parent has ever been audited by and no issues have been raised or adjustments made or proposed by any tax authority, domestic or foreign, in connection with any such taxes or tax returns and the Company has no knowledge, after due inquiry, of any proposed liability for any tax (whether income tax, capital gains tax, or otherwise) to be imposed on the Company or the Parent. The Company and Parent have withheld and paid all taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, creditor, independent contractor, stockholder, member or other third party. To the Company's knowledge, there is no tax lien (other than for current taxes not yet due and payable under applicable law), imposed by any taxing authority, outstanding against the assets, properties or business of the Company or the Parent.

3.11 Contracts. **Schedule 3.11** attached hereto contains a true and complete list of all Material Contracts and Agreements (oral or written) to which the Company is a party or by which its property is bound. Each such Material Contract and Agreement is valid, is in full force and effect, and binding upon the Company, and neither the Company nor, to the knowledge of the Company, any other party thereto is in breach thereof. True and correct copies of all such Material Contracts and Agreements have been delivered to the Purchaser. For the purpose of this Agreement the term “Material Contracts and Agreements” shall mean any contract and/or agreement with an aggregate value exceeding USD 100,000.

3.12 Litigation. No action, proceeding or governmental inquiry or investigation is pending or, to the knowledge of the Company, is threatened against the Company, the Parent, and/or any of their respective shareholders, officers, directors or employees (in their capacity as such), or against the founders of Parent (in their capacity as such), or against any of the Company's properties, or with regard to the Company's business,

before any court, arbitration board or tribunal or administrative or other governmental agency, nor, to the knowledge of the Company, there is any basis for the foregoing. There is no action, suit, proceeding or investigation by the Company, the Parent or the founder of Parent currently pending or that any of the Company, the Parent or the founders of the Parent intends to initiate.

3.13 Interested Party Transactions. (i) No officer, director or shareholder of the Company, or any affiliate of any such person or entity or the Company, has or has had, either directly or indirectly: (x) an interest in any person or entity which (a) furnishes or sells services or products which are furnished or sold or are proposed to be furnished or sold by the Company, or (b) purchases from or sells or furnishes to the Company any goods or services, or (y) a beneficial interest in any contract or agreement to which the Company is a party or by which it may be bound or affected; (ii) there are no existing arrangements or currently proposed transactions between the Company and any officer, director, or shareholder of the Company, or any affiliate or associate of any such person; and (iii) no employee, shareholder, officer, or director of the Company is indebted to the Company, nor is the Company indebted (or committed to make loans or extend or guarantee credit) to any of them.

3.14 Employees and Service Providers. The Company has complied with all applicable employment laws, policies, procedures and agreements relating to employment, terms and conditions of employment and to the proper withholding and remission to the proper tax and other authorities of all sums required to be withheld from employees or persons deemed to be employees under applicable laws respecting such withholding. The Company has paid in full to all of its employees and consultants all wages, salaries, commissions, bonuses, benefits and other compensation due and payable to them on or prior to the date hereof and there is no dispute pending between the Company or any one of the foregoing. The Company is not bound by, or subject to (and none of its assets or properties is bound by or subject to), any written or oral, express or implied, contract, commitment or arrangement with any labor union. To the knowledge of the Company, neither the employment by the Company of any of its employees, nor the engagement by it with any of its respective consultants, constitutes is likely to constitute a breach of any of such persons' obligations to third parties, including non-competition or confidentiality obligations.

3.15 Business Plan. The Company's current business plan/executive summary including a budget (the "Budget"), both of which are attached hereto as Schedule 3.153.15 (collectively, the "Business Plan Documents"), have been prepared in good faith and with reasonable professional care by the Company. The financial projections set out in the Business Plan Documents have been prepared with due diligence, care and consideration, and there are no other material facts or matters of which the Company is aware which may render the Business Plan Documents untrue or misleading in any material way.

3.16 Full Disclosure. The Company has disclosed to the Purchaser any material information required for deciding whether to subscribe for and purchase the Sale Shares. Neither this Agreement (including the Schedules hereto) nor any certificates made or delivered in connection herewith contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements herein or therein not misleading, in view of the circumstances in which they were made. There is no material fact or information known to the Company relating to the business, prospects, condition (financial or otherwise), affairs, operations, or assets of the Company or the Parent that has not been disclosed to the Purchaser in writing.

The Purchaser hereby represents and warrants to the Company as of date hereof and as of the Closing that:

3.17 It is duly organized and validly existing under the laws of the State of Israel; it has full corporate power and authority to execute this Agreement and to perform its obligations hereunder.

3.18 All corporate action on its part necessary for the authorization, execution, delivery and

performance by it of this Agreement has been taken.

3.19 This Agreement, when executed and delivered by the Purchaser will constitute the valid, binding and enforceable obligation of the Purchaser, and shall be legally enforceable against it in accordance with its respective terms subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies.

3.20 The consummation of the transactions contemplated hereunder and the performance of this Agreement by it do not violate the provisions of its corporate documents, any applicable law, and will not result in any breach of, or constitute a material default under, any material agreement or instrument to which it is a party or under which he is bound.

4. Miscellaneous

4.1 Notices.

(i) All notices and other communications hereunder shall be made in writing and be served by way of personal delivery, by electronic mail, overnight delivery via a nationally recognized courier or by registered or certified mail. Notices shall be deemed to be received: (a) upon delivery, in the case of personal delivery; (b) on the business day immediately following the date of dispatch, if delivered by electronic mail or by overnight delivery; or (c) on the third business day of posting, in the case of a registered or certified mail.

(ii) Whenever in this Agreement a notice or determination is to be given or made by the Company, such notice or determination shall be determined, and given by, the Chief Executive Officer of the Company.

4.2 Costs and Expenses. Each party shall bear its own expenses in connection with transaction contemplated hereunder.

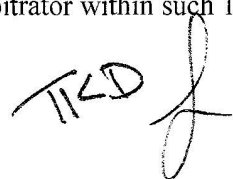
4.3 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of, and be binding upon, the respective successors and permitted assigns of the parties herein. Notwithstanding the foregoing, neither party shall have the right to assign any of its rights nor obligations pursuant to this Agreement to a third party without obtaining first the written consent of the other party to such assignment.

4.4 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

4.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the parties actually executing such counterpart, and all of which together shall constitute one and the same instrument.

4.6 Entire Agreement and Amendment. This Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and shall supersede all of the promises, undertakings, and other representations made by the parties to each other prior to the date hereof.

4.7 Governing Law and Jurisdiction. Any dispute arising in connection with this Agreement shall be resolved by an arbitrator, the identity of which shall be mutually agreed upon within 14 days following emergence of such dispute. If the parties have not agreed on the identity of the arbitrator within such 14 days,



then such dispute shall be resolved exclusively in the competent court located in Tel Aviv-Jaffa, Israel and each of the parties hereby irrevocably submits to the exclusive jurisdiction of such court. Each of the parties hereto (i) consents to submit itself to the exclusive jurisdiction of the abovementioned courts in the event any dispute arises out of this Agreement or the transactions contemplated by this Agreement, (ii) agrees that it shall not attempt to deny or defeat such jurisdiction by motion or other request for leave from the abovementioned court, (iii) agrees that it shall not bring any action relating to this Agreement or the transactions contemplated by this Agreement in any court other than the abovementioned court.

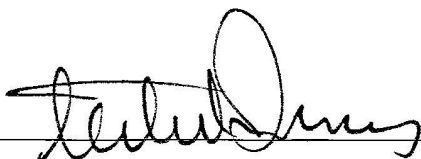
4.8 Further Cooperation. The parties agree to execute any and all documents necessary in order to consummate, implement and give full force and effect to this Agreement, and to all matters, actions and transactions envisaged and contemplated herein including, filings with governmental or regulatory bodies, corporate resolutions and such other documentation as may be reasonably necessary from time to time.

[Signature page follows]

T12D 

IN WITNESS WHEREOF the parties herein have executed this Share Purchase Agreement as of the date first hereinabove set forth.

VITAL SEEDS I B.V

By: 

Name:

Talal Daas

Title:

Managing Director

THE PURCHASER:


PARNASA MANAGEMENT BASAD LTD.

By: _____

Title: Baruch Eliezer Gross, CEO

Date : 19th December, 2021

[Signature page to Vital Seeds SPA]



נספח 4

העתק מכתב מיום

20.3.2024

עמודים 35 עד 36

March 20, 2024

10 Adar Bet, 5724

Mr. Talal Daas
Vital Seeds, Inc.

Without prejudice to any right or claim

Talal Shalom,

Re: Outstanding Loan Repayment, Investment, and Equity Allocation

I am writing to you as the Chief Executive Officer of Besadno Group (hereinafter referred to as "**Besadno**"). This letter pertains to the €1.6 million loan Besadno extended to Vital Seeds I.B.V. ("VSIBV"), a subsidiary of Vital Seeds, Inc. (hereinafter referred to as "**Vital Seeds**"). As of today, only €400,000 has been repaid, leaving an outstanding balance of €1.2 million.

The loan was initially provided to establish an ESCROW account for a €16 million loan anticipated from a Swiss investment bank. However, the transaction with the Swiss bank did not materialize, and it has come to our attention that you utilized the funds contrary to the agreed terms of the loan agreement without our prior consent. We were only informed of this after you had fully expended the funds. The assurances regarding the swift raising of funds and the guaranteed repayment of our money have not been realized to date.

Despite your significant default in repaying our money, considering our cordial relationship with Dr. Ilan Cohen, who is associated with Vital Seeds, we agreed to extend the loan term by an additional year. As compensation for this extension, you committed to allocating a 6% additional stake of VSIBV's issued share capital to us.

Regrettably, the extended term has long since expired, yet the loan remains unpaid, and the promised compensation of additional equity allocation has not been executed. Our investors are understandably concerned and exerting pressure on us, placing us in a tough predicament with them, despite the various schedules, optimistic projections, and assurances you have provided regarding the loan repayment.

Based on the two recent discussions you held with Mr. Eliezer Gross, Chairman of the Besadno Group, the last of which took place last weekend, there appears to be no clear timeline for the return of the funds, except for a vague statement about your expectation

for a potential investment in the near future. I expect you to understand that given the unfulfilled promises regarding the investment, this latest assurance has been met with skepticism. I should add that your offer of interest for the default period on repayment of the loan does not compensate for the damages incurred by us and our investors. Furthermore, we have not received any documentation confirming the promised 6% additional allocation of VSIBV's shares.

Consequently, we demand the full repayment of the outstanding loan balance (including appropriate interest for the loan duration), as well as an official confirmation of the 6% additional share allocation. Failure to comply with these demands will compel us to pursue all available legal remedies, including actions in the United States.

This letter, its contents, and any omissions therein do not constitute an admission or waiver on the part of Besadno, nor do they exhaust Besadno's claims, demands, or any relief, right, or remedy granted to it or vested in it by law.

Sincerely,

Yaniv David Drihem, Advocate
CEO, Besadno Group

Copy: Dr. Ilan Cohn

נספח 5

העתק מכתב מיום

9.5.2024

עמודים 38 עד 38

HUCK BOUMA^{PC}

1755 South Naperville Road, Suite 200 Wheaton, Illinois 60189
p: (630) 221-1755 f: (630) 221-1756
www.huckbouma.com

Nick Marsico
Attorney at Law
direct: (630) 344-1158
nmarsico@huckbouma.com

May 9, 2024

Via E-Mail

Yaniv David Drihem, Adv
Chief Legal Officer and General Counsel
Besadno Group

**Re: Vital Seeds, Inc.
Your Letter Dated March 20, 2024**

Mr. Drihem:

We represent Vital Seeds, Inc. and Vital Seeds I B.V (together, “*Vital Seeds*”). We have your letter dated March 20, 2024 to Vital Seeds, Inc. You refer to a loan from Besadno Group, but there is no loan or contractual agreement between Besadno Group and Vital Seeds. Vital Seeds had a loan agreement with Parnasa Management Basad Ltd. (“*Parnasa*”). As you know, the proceeds of that loan were initially to be used for an escrow in a transaction with Corinth Investments, and then with the full encouragement and agreement from Parnasa, the proceeds of the loan were to be used in a transaction with Impactus for equity funding. After Impactus terminated the agreement with Vital Seeds, Vital Seeds and Parnasa agreed on a postponement of the loan payments. With the full encouragement and agreement of Parnasa, the funds were utilized to continue to advance the project in the Netherlands. Then on April 10, 2023, Parnasa voided the loan agreement and all related agreements. Thus, in response to your letter, our position is that no amount is currently due to Besadno Group.

If you have any questions, please feel free to contact me.

Very truly yours,

HUCK BOUMA P.C.

By: *Nick Marsico*
Nick Marsico

cc: Talal Daas