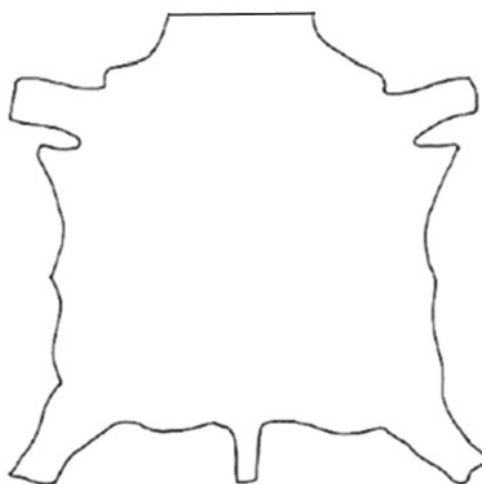
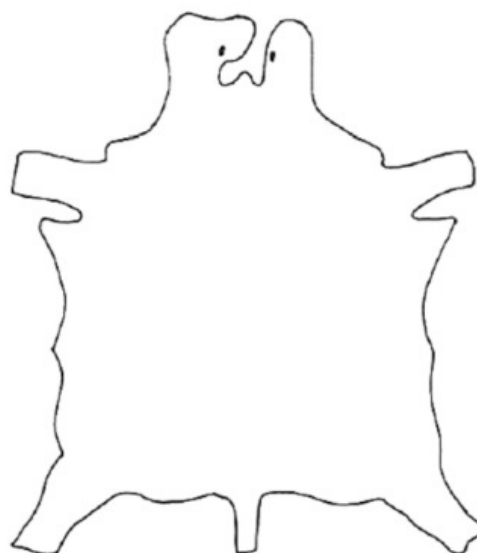
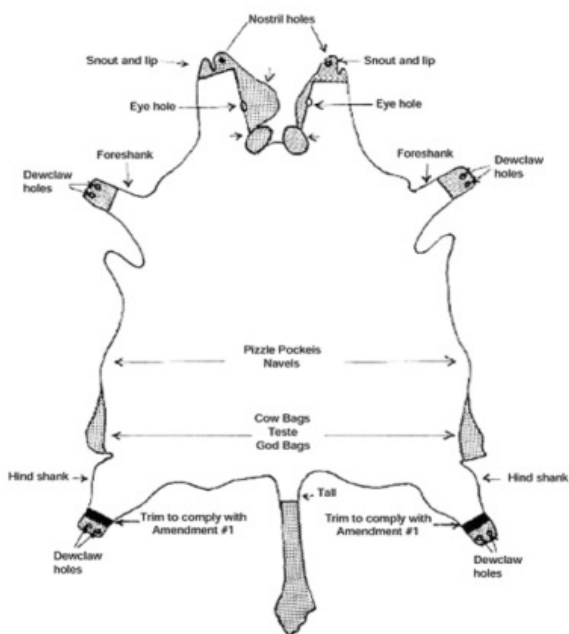


QUALITY STANDARD OF EUROPEAN SALTED RAW HIDES

Reference: raw hides of ADULT BOVINE (20kg/+ green weight)

The hides must be trimmed to be placed on the market.



WEIGHT LIMITS INDICATED, AVERAGE WEIGHT AND TOLERANCES

In sales contracts, in addition to the CATEGORY and the SELECTION of the hides sold, the WEIGHT RANGE is indicated with its AVERAGE WEIGHT or ONLY the AVERAGE WEIGHT.

If the contract indicates a WEIGHT RANGE, the indicated weight limits (minimum and maximum) are ABSOLUTE, and tolerances are not allowed, except for the FRANCHISE provided for in the contract.

If the AVERAGE WEIGHT inside the WEIGHT RANGE is expressed in MINIMUM and/or MAXIMUM, tolerances are not allowed, except for the FRANCHISE provided for in the contract.

If the AVERAGE WEIGHT inside the WEIGHT RANGE is expressed in "ABOUT" there is a tolerance of 3%, and this tolerance is valid whether the contract provides for the WEIGHT RANGE with its average or only the AVERAGE WEIGHT.

If ONLY AVERAGE WEIGHT is indicated, this has an ABSOLUTE value and no tolerances are allowed, except for the FRANCHISE provided for in the contract.

EXAMPLES

1. Bull 40/50 kg. - Average abt. 48 kg. green weight

- If the franchise (in this case the weight loss) by contract is 18%:
 - The weight range of the salted hides will have to be 32.8/41 kg. salted weight
 - The average (abt. 48 kg. green weight – 18% = 39.36 kg. salted weight) can fluctuate +/- 3% and can therefore be a MINIMUM of 38.18 kg. salted weight or a MAXIMUM of kg. 40.54 kg. salted weight

2. Average cow 30/32 kg. salted weight

- Considering a 2% franchise:
 - There isn't a weight range and therefore there is NO minimum or maximum weight for the hides of the load
 - The minimum admissible AVERAGE net weight is 29,40 kg. salted weight and the MAXIMUM weight is 31,36 kg. salted weight

CLASSIFICATION OF THE HIDES

First selection:

- No defects in the central area of the hides (both on the flesh side and the grain side)
- The FLAY must be perfect, the hides must not have conservation problems
- Maximum 2 defects located in the external area of the hide allowed (within 10 cm from the perimeter of the hides)
- each defect must have a measure of less than 8 cm

Second selection:

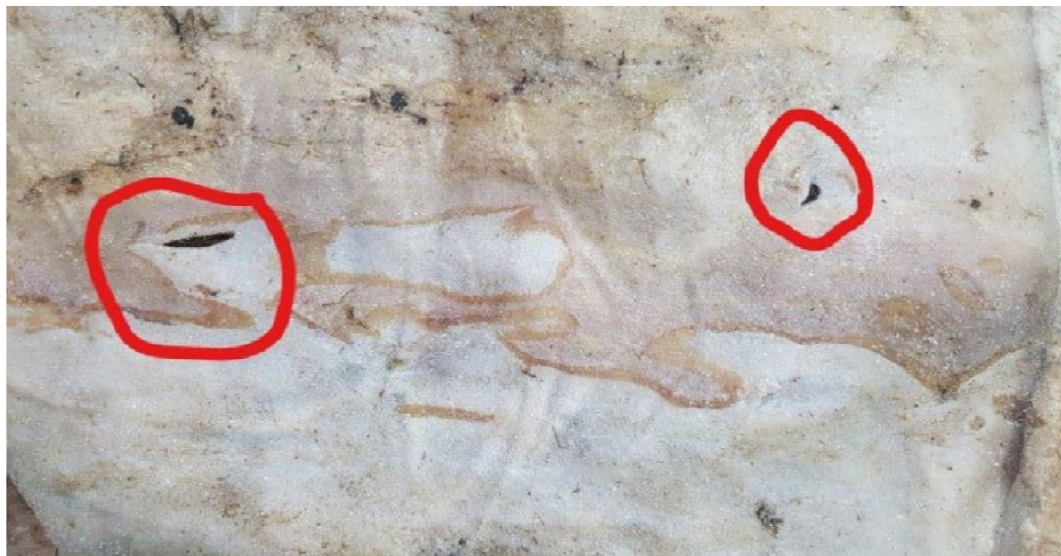
- It can have the defects of the first selection
- Also allowed are 2 defects "excluding those listed in third selection" positioned in the central area
- By defect we mean:
 - hole, cut
 - Grain break (horn marks, scratches, scars)
 - Presence of diseases (Warts, Herpes, Skin Leeks) in an area of less than 1 square foot
- The defect cannot exceed 8 cm except for the growth mark or wrinkle which can exceed this measure
- A slight presence of dung on the hides is allowed
- Slight mis-shaping of the hides is allowed

Third selection:

- It can have the defects of the second selection
- Allowed the defect: Caesarean cut or surgery scar, hole or cut greater than 15 cm
- Allowed the defect: hair slip in the measure of a maximum of 20% of the total surface of the skin
- Important presence of dung on the hides is allowed
- The mis-shape of the hides is allowed within a maximum of 20% of the total surface

DEFECT: [second selection](#)

Holes in the central area of the hides



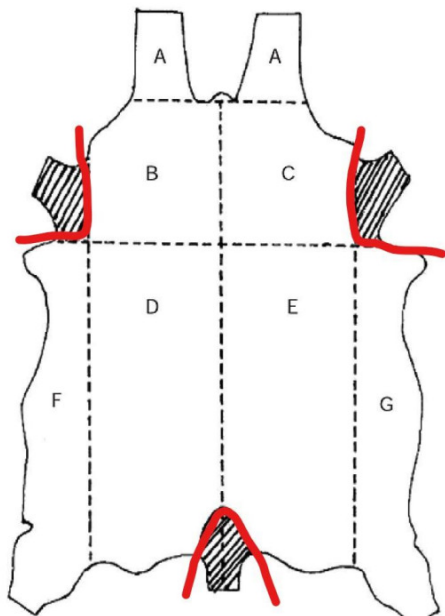
Grain Break (horn marks, scars)



Presence of disease (Herpes, Warts, Leeks) in an area less than 1 square foot



Slightly mis-shaped hide

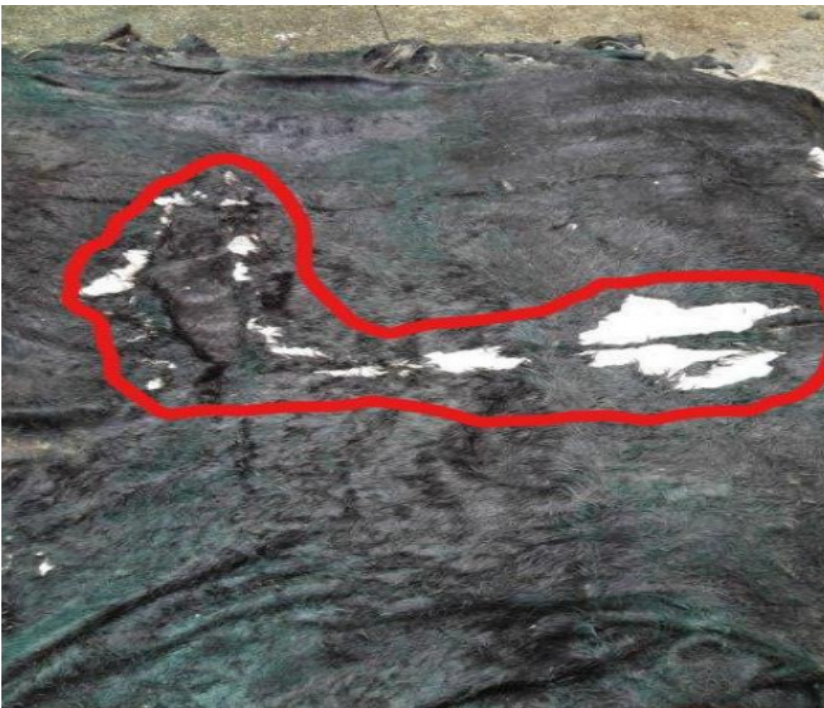


DEFECT: third selection

Hole greater than 15 cm



Conservation problems (hair slip)



Important presence of dung on the hide



The mis-shaping of the hides



DISCOUNTS

1. If the SECOND selection exceeds the contractual quantity, a discount equal to 10% of the contractual value will be applied, applicable only to hides that exceed the pre-established terms.
 - a. This is applicable if the second excess is less than 10% of the total number of hides invoiced per single shipment (if a single invoice is issued for multiple lots the tolerance must be calculated on the total of the lots invoiced, not for single lot). If this threshold is exceeded, the discount goes to 20%.
2. If the THIRD selection exceeds the contractual quantity, a discount equal to 30% of the contractual value will be applied, applicable only to hides that exceed the pre-established terms.
 - a. This is applicable if the third excess is less than 10% of the total number of hides invoiced per single shipment (if a single invoice is issued for multiple lots the tolerance must be calculated on the total of the lots invoiced, not for single lot). If this threshold is exceeded, the discount goes to 50%.
3. In case the first hide inspection is carried out by an employee of the buyer and a qualitative complaint emerges, the supplier has the right to request a counter-evaluation by an external/independent hide inspector.
4. The outcome of this second hide inspection is then added to and averaged over the first hide inspection carried out.
5. If a hide inspection is requested by an external hide inspector and agreed upon by the two parties, the cost of the hide inspection will be charged to whoever is wrong in the dispute.