

FAO: Mr. John Owens.
TRADE ULNA
Maryna st. 24
Cape Town. SOUTH AFRICA

Oviedo, 25.01.2007

Dear John,

After my last e-mail dated 14.01.07, concerning the results of the last 2006, we would like to inform you about the overrides offered to TRADE ULNA during this new 2007.

We think that the overrides would be enough to funding the investments to be carried out this year (promotional actions, special publicity etc.) we have decided to continue this year 2007 with an override of **1%** variable in sales target scales that is intended to help you to promote and launch our products through your shops to potential customers and so diversify your customer portfolio.

The sales target scales we present to you are the same than for the last year 2006, so:

2007 GROTWH IN KG	OVERRIDE
From +9% → +11,99%	0,50 % over yearly net sales
From +12% → +14,99% sales	0,50% + 0,25% = 0,75% over yearly net sales
+15% and more	0,50% + 0,25% + 0,25% = 1% over yearly net Sales

This override will be payable yearly, at the beginning of January, as we have done this year.

Remember that these are not accumulative scales.

We hope that through our proposal you can see our interest and involvement in the important projects that together HERRAJES BULNES S.A. and TRADE ULNA should achieve this year.

If you have any doubt or query, please do not hesitate to contact me at your earliest convenience.

Best regards.

Gregorio Navarro
Director.