

## REDPATH STANDARD SALES TERMS AND CONDITIONS

In the absence of a written agreement signed by Buyer and Redpath Sugar, Ltd. ("Seller"), these terms and conditions ("Terms") and those in Seller's contract confirmation ("Confirmation") (together, the "Contract") govern the offer, sale and delivery of products or services (the "Products") by Seller to buyer or its affiliates, principals, agents, franchisees, and distributors (the "Buyer"). By accepting Seller's quotation or transmitting to Seller a purchase or confirmation order, delivery instruction, receipt, acknowledgement or similar document (oral, written or electronic) (each, an "Order") or engaging Seller to perform any service, including tolling, distribution, or co-packing, Buyer evidences its agreement to be bound by this Contract.

### 1. PRICES; INVOICES; AND DELIVERY TERMS.

1.1 Buyer is not entitled to set-off amounts due or claimed due from Seller against any amounts Buyer owes to Seller.

1.2 Any amounts which are not paid when due shall bear interest from the date payment was due until the date payment is received by Seller, at a rate of interest equal to the lower of (i) 1.5% per month or (ii) the highest rate of interest permitted under applicable law.

1.3 Any credit granted to Buyer may in the sole discretion of Seller be reduced or withdrawn at any time, any previously approved payment terms to the contrary notwithstanding. Seller reserves the right to withhold, suspend or stop in transit any shipment should any doubt arise as to Buyer's credit or financial responsibility.

1.4 The delivery terms are FOB Seller's facility located in Toronto, Ontario (the "Seller's Facility"). Title and risk of loss to Product shall transfer to Buyer at Seller's Facility when possession of Product is taken by Buyer (directly or through the freight carrier).

### 2. SELLER'S WARRANTY

2.1 Seller represents and warrants that Products purchased and delivered pursuant to this Agreement shall conform to the Specifications, shall be of good material, quality and workmanship, free from defect and fit for use in or with food products for human consumption, and will be in compliance with federal, state, provincial and local food, health and safety laws, rules and regulations applicable to the Products. Seller will replace without charge, or make a fair allowance for any noncompliance with the Specifications, or any defects in materials or workmanship in such Product demonstrated to have existed at the time of delivery, provided Buyer gives Seller written notice promptly upon discovery thereof. If any product shipped to Buyer is found by Buyer to be defective, Buyer shall set aside such Product for inspection by Seller and instructions for redelivery of Product to Seller or disposal, provided however, that Buyer shall not be obligated to hold such Product for inspection and redelivery instructions, if same are not received from Seller within ten (10) business days after its receipt of such notice from Buyer. All expenses involving such return or disposal of defective materials shall be at the expense of Seller.

2.2 **THE FOREGOING WARRANTY IS LIMITED AND IS IN LIEU OF ANY OTHER WARRANTY, AND SELLER MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS, WHETHER AS TO MERCHANTABILITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.**

2.3 In the event Buyer rejects Product as non-conforming to this warranty, Buyer shall hold such Product until Seller removes the Product or provides Buyer with other reasonable instructions. Seller's liability under this warranty is limited to either replacing the non-conforming Product or refunding to Buyer its purchase price paid for such Product. Buyer is prohibited from selling rejected Product in a secondary market without Seller's written consent.

2.4 All claims of Buyer must be brought within one year of delivery of the Product to Buyer regardless of their nature or shall be deemed waived and released by Buyer.

2.5 Any continuing guaranty provided by Seller to Buyer remains subject to, and governed by, the terms of the Contract.

2.6 Unless specifically stated to the contrary in writing, if any action by the Canadian Government results in a change in the full-duty rate on the importation of raw sugar; the imposition of an excise tax or other tax on or in connection with raw sugar, the Products or the business of sugar refining; or a change in the cost of converting futures contracts purchased by Seller at Buyer's request into raw sugar eligible for delivery into Canada; the additional cost or savings resulting therefrom shall be added to or subtracted from the price of Products shipped hereunder.

3. **INDEMNIFICATION.** Buyer and Seller ("Indemnitor") shall each indemnify, defend and hold the other party ("Indemnitee") its directors, officers, employees and agents harmless from and against any and all liabilities, damages, injuries, claims, suits, judgments, causes of action and expenses (including reasonable attorneys' fees, court costs and out-of-pocket expenses) (collectively, "Claims") arising out of or relating to any (i) breach of any representation or warranty made by Indemnitor hereunder or (ii) act or deed, whether by way of tort or contract, committed or omitted by Indemnitor, its directors, officers, employees, agents or subcontractors in their performance under this Agreement, except to the extent that such Claims result from the negligence or willful misconduct of Indemnitee, its directors, officers, employees or agents.

4. **LIMITATION ON LIABILITY. UNDER NO CIRCUMSTANCES SHALL EITHER PARTY OR ITS AFFILIATES BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES FOR ANY KIND OF SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGE OR LOSS, COST OR EXPENSE, INCLUDING WITHOUT LIMITATION, DAMAGES BASED UPON LOST GOODWILL, LOST SALES OR PROFITS, WORK STOPPAGE, DOWNTIME, PRODUCTION FAILURE, IMPAIRMENT OF OTHER PRODUCTS OR INGREDIENTS, FOR ANY REASON OR UNDER ANY THEORY OF LIABILITY WHATSOEVER.**

**5. INSURANCE.** Seller agrees to maintain commercial general liability insurance including Product liability and contractual liability, on a claims made basis with minimum limits of liability of \$2,000,000. Buyer will be added to Seller's Product liability policy as an "additional insured vendor" per the terms of the broad form vendor's endorsement currently in use.

**6. FORCE MAJEURE.** A party shall not be liable for the inability of that party to commence or complete its obligations (excluding the obligation of payment) hereunder by the dates herein required resulting from delays caused by strikes, insurrection, acts of God, war, emergencies, shortages or unavailability of materials, weather, change in law or other similar causes ("Force Majeure"), which shall have been timely communicated to the other party. The occurrence of the Force Majeure shall extend the period for the performance of the obligation (excluding the obligation of payment), for the period equal to the period of any such delays; provided that such party shall continue to perform to the extent feasible in view of such Force Majeure; and provided further, that if such Force Majeure shall continue for a period of six months, either party shall have the right to terminate this Contract upon written notice to the other. In the event of the occurrence of a Force Majeure event, Seller shall have the right, but not the obligation, to allocate Product among its Buyers.

**7. GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the substantive laws, but not the laws of conflicts, of the Province of Ontario.

**8. ASSIGNMENT.** Except to the extent provided herein, Buyer shall not have any right to assign the Contract, or any rights or obligations hereunder, without the written consent of Seller; provided, however, that upon the sale of all or substantially all of the assets, business and goodwill of the Buyer to another Seller, or upon the merger or consolidation of the Buyer with another Seller, the Contract shall be binding upon both Buyer and the Seller purchasing such assets, business and goodwill, or surviving such merger or consolidation, as the case may be, in the same manner and to the same extent as though such other Seller were the Buyer. Further, and notwithstanding anything herein to the contrary, Buyer consents to the assignment from time to time of any part of Seller's rights to payment hereunder in respect of invoices addressed to Buyer or its Affiliates (a "Receivable"), and in connection with such assignments, and notwithstanding any confidentiality agreements to the contrary, Seller may disclose the terms of the contractual arrangements between Buyer and Seller solely for the purpose of assigning any Receivables and in order for assignee to collect such payments to which it may become entitled. Subject to the foregoing, the Contract shall inure to the benefit of, and be binding upon, the parties hereto and their legal representatives, successors, and permitted assigns.

**9. BUYER'S USE OF PRODUCTS.** Buyer represents and warrants that it shall use and sell all Products ordered herein in accordance with applicable law, statute, ordinance, regulation, code or standard ("Laws and Standards"). Except as expressly stated in this Contract or in the Seller's specifications, Seller makes no promise or representation that the Product shall confirm to any other Laws and Standards. Buyer shall be exclusively responsible for ensuring compliance with all Laws and Standards associated with its intended use of the Products.

**10. ETHICAL SOURCING.** It is Seller's policy to purchase goods and services that are produced and delivered under conditions that uphold fundamental human rights; do not involve the abuse or exploitation of any persons; are grown, produced, manufactured and sold in accordance with the laws of the country of origin; and minimize negative impacts on the environment. Copies of Seller's Code of Ethics and Business Conduct and its Ethical Sourcing Policy are available for download on: [www.asf-group.com](http://www.asf-group.com).

**11. ATTORNEYS FEES.** If either party commences an action against the other to interpret or enforce the Contract or as a result of a breach by the other party of the Contract, the prevailing party shall be entitled to recover from the nonprevailing party reasonable attorneys' fees, costs and expenses incurred by the prevailing party in connection with such action.

**12. FINAL AGREEMENT.** This Contract represents the final agreement of the parties with respect to its subject matter and all prior oral or written undertakings, communications, or agreements are superseded and merged herein. No different or additional terms and conditions, including those contained in any Order or agreement previously executed by Seller or in any acceptance or similar document tendered by Buyer, shall in any way become binding on Seller or become part of the Contract and are hereby specifically rejected. In the event the parties have executed a confidentiality or nondisclosure agreement, or Seller is requested to provide a separate continuing guaranty or indemnification agreement, such agreement remains subject to the terms and condition set forth herein, and in the event of conflict, this Contract shall govern.