



These Terms and Conditions of Sale on Goods & Services (these "Terms") apply to the sale of goods (the "Products") and/or services (the "Services") by Mercer Foods, LLC. The Mercer Foods, LLC selling entity is hereinafter referred to as "Mercer" and the buyer is hereinafter referred to as "Buyer". These Terms are the only terms and conditions applicable to the sale or other provision of Mercer goods and services to Buyer except those that relate to prices, quantities, and delivery schedules, and any other terms included in Mercer's quotation (the "Quotation"), which terms control in the event of any conflict with these Terms, unless otherwise agreed upon by Mercer in a signed writing. Except as expressly contemplated in these Terms, Mercer rejects any other terms and conditions appearing on, referenced in, or attached to Buyer issued documents. Buyer's acceptance of a Quotation, submission of a purchase order, or acceptance of delivery of goods and/or services, each constitute its acceptance of these Terms.

1. PRICES AND DELIVERY

Prices quoted are exclusive of, and Buyer will pay, shipping and related fees, foreign, federal, state, local excise, sales, use, personal property and any other taxes or duties, except only taxes based on Mercer's income. Any certificates or other evidence of applicable exemptions to such taxes or duties must be provided to Mercer prior to invoicing or such taxes or duties will be charged to Buyer; provided, however, if Mercer does not collect such items from Buyer and is later requested or required to pay the same to any taxing authority, Buyer shall promptly make payment to Mercer or directly to such taxing authority if requested by Mercer.

Mercer does not represent that its prices are equal to or lower than those charged to other customers or comparable to prices offered by a third party.

The parties agree that the pricing in the Quotation properly reflects any and all discounts (including without limitation the value of any discounts, rebates, or other price concessions) and such discounts are intended to reflect discounts or other reductions in price within the meaning of the discount exception to the Federal Anti-Kickback Statute 42 U.S.C. Section 1320a-7b (b) (3) (A). Buyer will properly report and appropriately reflect such discounted prices on cost reports or claims submitted to any state or federal program that provides reimbursement to Buyer for the discounted goods and/or services. Buyer will also retain invoices and other price documentation and make them available to federal and state officials upon request.

Shipments shall be made in accordance with the delivery schedule outlined in the applicable (i) Quotation or (ii) purchase order expressly accepted by Mercer (a "Purchase Order"). Unless otherwise provided in the applicable Quotation, (i) Buyer shall be responsible for arranging shipping to and from Mercer's facilities and payment of all costs related thereto and (ii) terms shall be FOB Mercer's dock, and Mercer shall bear no risk of loss following the pickup therefrom.

Products to be exported, if any, are subject to Mercer's ability to obtain export licenses and other necessary papers within a reasonable time. Buyer will furnish all consular and customs declarations and will accept and bear all responsibility for penalties resulting from errors or omissions therefrom. Except as otherwise expressly stated on the Quotation, Buyer shall be responsible for all costs of shipping and transport of the Products, including packing materials, and any import and/or export duties.

2. ORDERS

Buyer shall not return or exchange shipped Products without Mercer's express prior written permission (which may be withheld in Mercer's sole discretion). Products returned to Mercer without Mercer's permission shall be returned to Buyer at Buyer's sole cost and expense. Products returned with Mercer's permission may be subject to a restocking fee.

Buyer may not cancel any order and shall be liable for a fee equal to 100% of the contract value plus any cancellation charge incurred by Mercer and any expenses or fees incidental to such cancellation, including the cost of any raw or production materials purchased in furtherance of such order.

To the extent (i) Buyer requires or requests that Mercer initiate or prepare for production of the Products or performance of the Services (whether or not pursuant to an order, a Quotation or forecasts) or (ii) Mercer informs Buyer that it is initiating or preparing for production of the Products or performance of the Services based on Buyer forecasts or other information provided by Buyer (and Buyer does not instruct Mercer to defer initiation or preparations for production within 30 days of being so informed), including by purchasing (or entering into a commitment to purchase) any raw materials, Buyer shall be responsible for all costs incurred by Mercer in connection with, or incidental to, fulfilling such requirement or requests (including the cost of purchasing the raw materials), whether or not such Products or Services are ultimately required by Buyer, regardless of the absence of a purchase order for such Products, Services or raw materials.

Buyer shall inspect the Products promptly following taking possession thereof and inform Mercer of any failure of such Products to comply in all material respects with any applicable specifications agreed to by Buyer and Mercer or the warranties applicable thereto. If any of the Products fail to comply in any material respects with any applicable specifications or warranties, Buyer may reject such Products by providing prompt written notice of such rejection to Mercer (in any event within two (2) business days following such inspection) and Mercer shall replace such non-compliant Products at its expense.

3. EXCUSABLE DELAYS

Mercer shall not be liable for any loss, damage, cost or expense resulting from delays arising out of causes beyond its control and without its fault or negligence, including acts of God, acts of the government, fires, floods, strikes, freight embargoes, delays in transportation, difficulties in obtaining labor, materials, manufacturing facilities or transportation, and unusually severe weather (each a "Force Majeure Event"), nor shall such delay affect the remainder of any order. Upon such Force Majeure Event, the time for performance shall be suspended for the duration of the Force Majeure Event. If the Force Majeure Event materially impacts Mercer's ability to meet its obligations at the agreed upon price, Mercer may reasonably increase pricing upon written notice to Buyer.

4. PAYMENT

Except as otherwise set forth in an applicable Quotation, amounts due in respect of the Products and Services will be paid within thirty (30) days from the earlier of (i) Buyer's receipt of an invoice for such Products or Services and (ii) Buyer's acceptance of such Products or Mercer's performance of such Services, as applicable. In the event Buyer's payments are not paid when due under the terms of the Quotation, Mercer may charge interest at a rate specified on the Quotation for the period commencing on the due date until the same are paid in full, or the highest interest rate permitted by applicable law, whichever is lower. Mercer may require payment in advance due to its risk assessment of Buyer's financial condition. Payments by Buyer are not subject to setoff or recoupment for any present or future claim Buyer may have against Mercer or its affiliates.

If Buyer fails to make payments when due, Mercer may immediately repossess all Products not paid in full and may suspend provision of the Products or Services, and Buyer shall pay for any reasonable out-of-pocket expenses incurred by Mercer in collecting payments, including without limitation, third-party attorneys' and collections fees.

Until Buyer has paid the entire purchase price, Buyer grants and conveys to Mercer and Mercer retains, a purchase money security interest in the Products. Upon written request by Mercer, Buyer will execute any document necessary for Mercer to perfect the security interest, and Buyer authorizes Mercer to file this document and any appropriate financing statement for purposes of such perfection.

5. WARRANTY

Mercer hereby provides a limited warranty to Buyer that all Products furnished by Mercer to Buyer shall be free of adulteration at the time Buyer takes possession and free of defects in workmanship. In the event of breach of the foregoing warranty, Mercer shall take reasonable action, at Mercer's expense, to correct such breach or replace the non-conforming Products with conforming Products. **The foregoing remedy is Buyer's sole and exclusive remedy against Mercer for breach of this warranty. Mercer hereby expressly disclaims all implied warranties, including without limitation any implied warranty as to merchantability or fitness for a particular purpose.**

For the avoidance of doubt, Mercer shall not be liable to Buyer or otherwise for any defect or deficiency which results, in whole or in part, from (i) negligent storage or handling of the Products by Buyer, its employees, agents, or contractors, or use that is inconsistent with normal storage or operational conditions or (ii) any misuse, alteration or damage occurring after title of the Products has transferred to Buyer pursuant to the terms hereof.

6. TERMINATION FOR DEFAULT

Mercer may terminate all or any part of any order or Quotation, upon prior written notice of default to Buyer, if Buyer becomes insolvent or subject to proceedings under any law relating to bankruptcy, insolvency or the relief of debtors. Upon such termination, Buyer shall be liable for 100% of the contract value plus any costs or expenses incurred by Mercer in connection with such termination.

7. INTELLECTUAL PROPERTY

Mercer and its licensors will retain all intellectual property rights to the Products and Services (other than Buyer IP (as defined below)), including without limitation, designs, drawings, patterns, plans, specifications, technology, technical data, software and information, technical processes and business methods, whether patentable or not, arising from the sale or other provision of the Products or Services to Buyer. Buyer will not enforce against Mercer, Mercer's Buyers or their respective affiliates any intellectual property rights that include any system, process or business method utilizing or otherwise relating to Products or Services acquired from Mercer. Buyer acknowledges that the packaging and labeling of the Products will bear Buyer's trade names and trademarks ("Buyer IP"). Buyer hereby grants Mercer a non-exclusive, worldwide and royalty-free license to use such Buyer IP in connection with such packaging and labeling. Buyer shall review all packaging materials prior to order and provide its written approval (including by e-mail) of the use of such packaging materials for the Products.

8. ASSIGNMENT

Neither party may assign these Terms or a Purchase Order without the prior written consent of the other party, provided that Mercer may assign to any of its affiliates. Any attempted assignment of these Terms or any Purchase Order in violation of the foregoing shall be null and void.

9. COMPLIANCE WITH LAWS

The parties will comply with all applicable federal, state or local laws, orders, regulations and/or ordinances applicable to the sale, purchase and distribution of the Products and the performance and use of the Services, including without limitation anti-bribery, anti-corruption, import/export, privacy and anti-kickback laws.

10. LIMITATION OF LIABILITY

EXCEPT AS OTHERWISE REQUIRED BY LAW, IN NO EVENT WILL MERCER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING WITHOUT LIMITATION DAMAGES FOR BUSINESS INTERRUPTION OR LOSS OF PROFITS) BASED UPON BREACH OF ANY WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY. MERCER'S MAXIMUM LIABILITY HEREUNDER WILL NOT EXCEED THE PRICE OF THE PRODUCTS OR SERVICES FURNISHED BY MERCER GIVING RISE TO THE CLAIM. Mercer's rights and remedies in these Terms are in addition to, and not in lieu of, any other rights or remedies that Mercer may have at law or in equity.

11. GOVERNING LAW AND VENUE

These Terms are governed by and shall be construed in accordance with the laws of the state of California, excluding its conflicts of law rules. The parties consent to the sole and exclusive venue and jurisdiction of the federal and state courts situated in or having jurisdiction over the State of California. The United Nations Convention on Contracts for the International Sale of Goods shall not apply. Any action by Buyer for loss or damage arising from or related to the goods and/or services must be commenced within the earlier of one (1) year from the date of delivery or occurrence of the event, or such claim will be forever barred. If Mercer substantially prevails in any legal dispute, Buyer shall pay all reasonable costs incurred by Mercer, including but not limited to collection costs, attorneys' fees and costs of legal action.

12. INDEPENDENT CONTRACTOR

Except as specifically and expressly provided herein, the parties shall be considered independent contractors for the purposes of these Terms and any order. The relationship between Buyer and Mercer shall not be that of partners, agents or joint venturers. Nothing in these Terms or any order shall be deemed to constitute a partnership, agency agreement or joint venture between them for any purpose whatsoever.

13. ENTIRE AGREEMENT; MODIFICATIONS; WAIVER; SURVIVAL

These Terms, any Quotation and any Purchase Order constitute the entire agreement between the parties, there being no other promises, terms, conditions, or obligations, referring to the subject matter not contained or referred to herein. If any provision of these Terms, to any extent, is declared invalid or unenforceable, the remainder of these Terms will not be affected thereby and will continue to be valid and enforceable to the fullest extent permitted by law. Any modifications hereto must be in writing and signed by both parties. Mercer's failure to strictly enforce any of these terms shall not be considered a waiver of any of its rights hereunder. The termination or expiration of these Terms will not affect the survival and continuing validity of any provision which expressly or by implication is intended to continue in force after such termination or expiration.