



Field Farms Marketing Ltd.

General Purchase Terms

1. Applicability. These General Purchase Terms ("Purchase Terms") shall govern and control all aspects of the transaction between **Field Farms Marketing Ltd.** (the "Buyer") and the party which is selling any product(s) or commodity/commodities ("Commodity") to the Buyer, hereinafter called the "Seller", per the terms of a Purchase Contract or Purchase Offer (either hereinafter called the "Agreement"), which Agreement incorporates by reference these Purchase Terms. Should any term, provision or condition of the Agreement conflict with any term, provision or condition of these Purchase Terms, the term, provision or condition set forth in the Agreement shall govern and control. In the event of any conflict between any term, provision or condition of these Purchase Terms with any term, provision or condition contained in any applicable trade rules or other provision of law, the term, provision or condition set forth in these Purchase Terms shall govern and control. Notwithstanding anything set forth in these Purchase Terms, any import/export rules or regulations, as well as any laws respecting food standards or food safety of any jurisdiction interested in the transaction between the Seller and the Buyer shall govern and control the transaction between the Seller and the Buyer within each respective jurisdiction's area of influence with regard to import/export or food standards or food safety.
2. Governing Law. If the Seller is a Canadian person or entity¹, then the *Sale of Goods Act*, R.S.O. 1990, c. S.1, as amended from time to time, shall govern and control all aspects of the interpretation and enforcement of the Agreement between the Seller and the Buyer, except as excluded or changed by these Purchase Terms or the Agreement. If the Seller is not a Canadian person or entity, then the *International Sale of Goods Act*, R.S.O. 1990, C. I.10, as amended from time to time, shall govern and control all aspects of the interpretation and enforcement of the Agreement, except as excluded or changed by these Purchase Terms or the Agreement.
3. Time. Time shall be of the essence in the performance of all obligations under these Purchase Terms or the Agreement.
4. Seller's Obligations. The Seller shall sell such quantity and quality of the Commodity at the price and upon the payment terms as specified in the Agreement and subject to these Purchase Terms, and shall deliver the Commodity according to the Delivery Schedule to the Delivery Location as specified in the Agreement, and otherwise comply with these Purchase Terms and the Agreement.
5. Buyer's Obligations. The Buyer shall buy such quantity and quality of the Commodity as specified in the Agreement and subject to these Purchase Terms, and shall pay the price for the Commodity in accordance with the payment terms and take delivery of the Commodity at or before the Delivery Date at the Delivery Location as specified in the Agreement, and otherwise comply with these Purchase Terms and the Agreement. Unless otherwise stated in the Agreement, the Buyer shall settle and pay the price for the Commodity based upon delivered weights of the Commodity as determined according to law or this Agreement. Unless otherwise stated in the Agreement, the price shall include any and all taxes and fees and duties or other governmental impositions on the sale of the Commodity. No increase in price is effective without the Buyer's prior written consent.
6. Seller's Representations and Warranties. The Seller represents and warrants that: (a) it is a legal entity duly organized and validly existing under the laws of its jurisdiction of formation and is in good standing with full power and authority to own its assets and conduct its business; (b) it has the full power and authority to execute, deliver and perform its obligations under the Agreement and these Purchase Terms; (c) the Agreement and these Purchase Terms (and the performance thereof) do not place the Seller or any of its representatives in violation of any law, governmental order or regulation, either directly or indirectly; (d) the execution, delivery and/or performance of the Agreement or these Purchase Terms does not violate any other agreement or constitute a default or breach under any other agreement to which the Seller is a party; (e) the Commodity is merchantable, of good quality and free from defects, and meets standards as set forth in these Purchase Terms and the Agreement, and is fit and sufficient for ordinary use and/or the particular use for which the Commodity is purchased as disclosed by the Buyer to the Seller (if any such disclosure was made); and, (f) is free and clear of all liens, security interests or other encumbrances. All representations and warranties contained in this paragraph shall survive any delivery, inspection, acceptance or payment of or for the Commodity by the Buyer. These representations and warranties set forth in this paragraph are cumulative and in addition to any other or further representation or warranty provided elsewhere or at law or equity. Any charge or expense resulting from noncompliance with any representation or warranty contained in this paragraph shall be borne by the Seller, and the Seller shall replace any nonconforming Commodity, at its sole cost and expense, if requested by Buyer (which replacement is solely within the Buyer's discretion).
7. Trade Rules. The Grain Trade or Feed Trade Rules (as applicable) promulgated, from time to time, by the National Grain and Feed Association ("NGFA") shall be applicable, except as otherwise provided or changed by these Purchase Terms.
8. Grain Trade Contracts. For sales in bulk parcels tale quale-CIF/CIFFO/C&F/C&FFO Terms of a Canadian or U.S. Commodity delivered by ship, the following paragraphs of Contract No. 30 as promulgated, from time to time, by The

Grain and Feed Trade Association (“GAFTA”) shall be incorporated herein, when not in conflict with these Purchase Terms or the Agreement: 2, 11, 12, 13, 14, 15(a), 16, 17, 18, and 19. For shipments of a Commodity for full or limited container loads, the following paragraphs of Contract No. 88 as promulgated, from time to time, by GAFTA shall be incorporated herein, when not in conflict with these Purchase Terms or the Agreement: 6, 8, 11, 12 (c)-(h) incl., 13, 14, 15, and 16.

9. Grain Standards. In the event that the Seller is not an American person or entity², and the Buyer is not taking possession of the Commodity within the United States, then the Official Grain Grading Guide promulgated by the Canada Grain Commission, as amended from time to time, shall apply to these Purchase Terms, except as otherwise provided herein. In the event that the Seller is an American person or entity and the Buyer is taking possession of the Commodity within the United States, then the U.S. *Grain Standards Act*, as amended from time to time, shall apply to these Purchase Terms, except as otherwise provided herein.
10. Weights. Unless otherwise stated, all weights shall be in metric tonnes, and shall be weighed on a scale certified by the applicable governmental authority (including all weight certificates tendered hereunder). Weighing, and payments based upon weights, shall be conducted, and calculated, as follows:
 - i. loading weights shall be ascertained, at Seller's expense, by a GAFTA approved surveyor, upon loading of vessel;
 - ii. payment shall be made upon discharge weights, at point of delivery, weighing at Buyer's expense by Buyer or its designated representative, subject to shrinkage allowance set forth in paragraph 10 (iii);
 - iii. on all ocean shipments, a 0.5% shrinkage allowance shall be applied (on other than ocean shipments a 0.2% shrinkage allowance shall be applied) against loading weights prior to making any deduction in payment based upon discharge weight at point of delivery (*i.e.*, total discrepancy between loading weight and discharge weight - 0.5% or 0.2% shrinkage allowance = deduction from loading weight to determine discharge weight for payment).
11. Shipping and Delivery Terms. Unless otherwise stated, all shipment and delivery shall be free on board (“f.o.b.”) the time and place of shipment. No bulk shipment shall ship without the Buyer's confirmation (in writing) that storage and certification availability exists. Less than truck load and less than container load shipments are subject to dead freight charges to the Seller's account. The Buyer may, at its option, assign a coordinator to supervise loading and sampling of any Commodity at origin, and the Seller, and its agents, shall cooperate with any such assigned coordinator without cost or expense to the Buyer for such

cooperation. Buyer has the right to audit and inspect the records and facilities of the Seller and the Seller's agents, representatives, and subcontractors used by the Seller in the performance of its obligations under these Purchase Terms or the Agreement to determine compliance with these Purchase Terms and the Agreement.

12. Import Documents. The Buyer shall be responsible to obtain, at its sole cost and expense, any and all import permits or other product related import documents, except that the Seller shall be solely responsible for making any Importer Security Filing (“ISF”) in the United States of America, or elsewhere as required, at its sole cost and expense. The ISF shall be done in a timely manner and in no event less than 24 hours prior to shipping. Any penalties associated with a late, deficient or otherwise improper ISF shall be at the Seller's sole expense.
13. Export Documents. The Seller shall be solely responsible to obtain, at its sole cost and expense, any and all export permits or other product related export documents. Any cost related to any missing export permit or document shall be at the Seller's expense. All Seaway Tolls are at the Seller's sole cost and expense.
14. Documents and Certificates. The Seller shall obtain and provide, at its sole cost and expense, any and all documents and certificates of every kind required by the Agreement or the Purchase Terms in a timely manner. The Buyer shall not be deemed to have waived the provision and delivery of any document or certificate required by the Agreement or these Purchase Terms unless said waiver is explicitly made in writing by the Buyer. The failure of the Buyer to object to the form or content of any document or certificate delivered by the Seller shall not be deemed an acceptance of a defective or incomplete document or certificate; and, any charge, expense or cost resulting from the delivery of a defective or incomplete document or certificate (or delivery in an untimely manner) shall be at the Seller's expense, including without limitation any charges or expenses for detention of any goods.
15. Documents for Shipments. (a) Unless explicitly excluded in the Agreement, the Seller shall provide the following documents, at its sole cost and expense:
 - i. Bill of Lading;
 - ii. official phytosanitary certificate issued by governmental authority (with declarations, if any, as requested by Buyer);
 - iii. weight certificate issued by a GAFTA approved surveyor;
 - iv. Quality Analysis Certificate issued by a GAFTA approved surveyor (including analysis of any chemical residue); and,
 - v. Fumigation Certificate issued by a GAFTA approved surveyor, fumigation company or other competent authority consented to by the Buyer;

(b) In transactions involving an organic Commodity, in addition to the documents set forth in subparagraph 15(a), the Seller shall provide the following documents at its sole cost and expense:

- i. Certificate of Origin (stamped and/or sealed and/or signed by the Chamber of Commerce or governmental authority of the origin country);
- ii. Organic Transaction Certificate ("TC"); Verification of Organic Status ("VOS");
- iii. Non-GMO Certificate issued by a GAFTA approved surveyor;
- iv. Master Organic Certificate of the Commodity producer issued by the applicable organic certification authority; and,
- v. clean container affidavit issued by a GAFTA approved surveyor. The following statement shall be included on at least one of the documents to be provided by the Seller of an organic Commodity per the terms set forth in paragraphs 15(a)(b) of these Purchase Terms: "Certified in compliance with the terms of the US-Canada Organic Equivalency Arrangement";

(c) In transactions involving a non-GMO Commodity, in addition to the documents set forth in subparagraph 15(a), the Seller shall provide the following documents at its sole cost and expense:

- i. Non-GMO Certificate issued by a GAFTA approved surveyor;

(d) In transactions where a commodity is shipped by an ocean vessel, in addition to the documents set forth in subparagraphs 15(a)(b), the Seller shall provide at its sole cost and expense the following documents:

- i. Packing List; and,
- ii. Verified Gross Mass ("VGM") Certificate for each unit loaded (from a certified scale with a weight ticket).

(e) In all cases, the Buyer shall have the absolute right to approve any GAFTA approved surveyor chosen by the Seller. Buyer hereby consents to SGS SA (and its global affiliated companies) being used by Seller as a GAFTA approved surveyor.

(f) A Quality Analysis Certificate shall include analysis within the following parameters: 500+ substances and PH3<10bbp, chlormequat/mepiquat, glyphosate, glufosinate, pirimiphosmethyl, methyl bromide n.d. and mycotoxin screening.

(g) Whenever the Seller has the obligation to provide any document(s) or certificate(s) under the Agreement or these Purchase Terms, it shall do so in a timely manner, a "timely manner" being defined as not causing or contributing to any delay that prevents shipment and/or delivery in accordance with the terms of the Agreement or these Purchase Terms.

16. Ownership and Passing of Title. Except as otherwise set forth in any delivery terms contained in the Agreement, title in any Commodity shall not pass from the Seller until the Commodity is physically delivered to the Buyer at the delivery location. Except as otherwise set forth in any delivery terms contained in the Agreement, Seller retains the risk of loss and/or damage to the Commodity until the Commodity is physically delivered to the Buyer at the delivery location.

17. Rejection. The Buyer shall be entitled to reject any Commodity as not being in conformance with description or sample if the Commodity delivered is not strictly in accord with the description of the Commodity in the Agreement. The Buyer has a reasonable period of time after delivery within which to inspect, and accept or reject all or any portion of the Commodity. The receipt of the Commodity, the inspection or non-inspection of the Commodity, or the payment in full or part for the Commodity, does not constitute acceptance of the Commodity so as to impair the Buyer's right to: (a) reject defective or non-conforming goods; (b) recover damages; and/or (c) exercise any and all other rights or remedies to which the Buyer may be entitled under the Agreement, these Purchase Terms, or otherwise at law or in equity. Should any shipment(s) be rejected by the Canadian Food Inspection Agency ("CFIA"), the United States Department of Agriculture ("USDA"), the U.S. Food and Drug Administration ("FDA"), or any other governmental authority, then the Seller shall: (a) refund any and all monies paid to it by the Buyer, (b) arrange for the return of the Commodity at its sole cost and expense, and (c) be responsible for 50% of all other costs and expenses associated with the said rejection.

18. Default by the Seller. The Buyer shall be entitled to all remedies, which shall be considered cumulative and not in derogation of one to the other, to which the Buyer is entitled under the applicable law governing the Agreement, as well as any further rights or remedies granted under these Purchase Terms or the Agreement. Buyer shall be entitled to collect any and all lawyer's fees, third party collection fees, and all reasonable costs and disbursements incurred by the Buyer in the event of any breach or default by the Seller in its performance under the Agreement or these Purchase Terms.

19. Default by the Buyer. In no circumstances, will the Buyer be liable for any loss of profits or special, consequential or indirect loss or damage to the Seller or any third party. Notwithstanding anything else set forth herein or elsewhere, the Buyer's maximum liability to the Seller on account of the transaction under the Agreement (and any related events to said transaction) shall never exceed the maximum amount actually paid or payable to the Seller by the Buyer for the Commodity under the Agreement.

20. Notices. All notices shall be delivered in writing. Notices shall be given promptly by email or facsimile transmission by either

- the Seller or the Buyer to the other party (both of the foregoing methods of delivery being considered written notice).
21. Force Majeure. Neither party shall be responsible for delays, failures, or omissions due to any cause beyond that party's reasonable control, wherever arising and not due to its own negligence and which cannot be overcome by the exercise of due diligence. Force Majeure event shall include any act of God, fire, flood, wind, explosion, power failure, war, embargo, strike, lock-out, crime, act of terrorism, or civil commotion. If the Seller's performance is excused or delayed for more than twenty (20) calendar days, the Buyer may, at its option, terminate the Agreement by giving the Seller written notice, which termination will become effective upon receipt of notice. If the Buyer terminates the Agreement under this paragraph, the Buyer's sole liability to the Seller will be to pay any balance due for conforming Commodities delivered by the Seller prior to receipt of the Buyer's termination notice.
 22. Resolution of Disputes. Any dispute, claim or controversy between the Seller and the Buyer as a result of the interpretation, performance or enforcement of any right or obligation arising from these Purchase Terms or the Agreement shall be determined in accordance with the terms of the Agreement and these Purchase Terms by arbitration to be conducted in accordance with the then appertaining rules of the NGFA, unless the Seller is a non North American based person or entity³, in which event arbitration in accordance with GAFTA Rule No. 125, as amended from time to time, shall be held. The Seller and the Buyer hereby expressly agree to arbitration in accordance with the terms of this paragraph 22. Any arbitration between the parties hereto shall be final, conclusive and binding upon the parties hereto, according to the rules of arbitration used, and any arbitration award shall be enforceable in any court of competent jurisdiction wherever situate.
 23. Late Payment. Any payment that is owed the Buyer from the Seller that is not timely made shall incur interest at the rate of 1.5% per month, calculated monthly (19.56% effective annual interest rate), commencing from the day after which the payment was due.
 24. No Implied Conditions or Warranties. The Buyer hereby excludes any and all implied conditions and warranties on its part, howsoever arising, except any implied condition or warranty the exclusion of which would contravene any applicable law or cause any term(s) or provision(s) of these Purchase Terms or the Agreement to be void or unenforceable.
 25. Privacy. The Buyer hereby expressly consents to the Seller investigating the credit worthiness of the Buyer, from time to time, and using the said information to secure, at its option, any insurance guaranteeing the Buyer's performance (at the Seller's sole cost and expense) under the Agreement or these Purchase Terms, and in that regard, waives any privacy right to the collection and use of any information related to the Buyer.
 26. Insolvency. In the event that the Seller is declared bankrupt (voluntarily or involuntarily), seeks liquidation, reorganization or other relief in respect of its debts, or of a substantial portion of its assets, under any applicable law of any jurisdiction, or if a receiver, trustee, custodian, conservator or similar official is appointed with respect to the Seller or a substantial portion of its assets; or if the Seller makes a general assignment for the benefit of its creditors or the Seller becomes unable, or admits in writing, that it cannot pay its debts as they become due, then, in the event of the happening of any of those events, the Buyer may, at its sole option, cancel and/or suspend any of its not yet performed obligations under the Agreement or these Purchase Terms without any liability whatsoever to the Seller. Such cancellation and/or suspension shall in no manner relieve the Seller from any obligations it has to the Buyer for any obligations performed by the Buyer prior to its cancellation and/or suspension of net yet performed obligations.
 27. Amendments. Neither these Purchase Terms nor the Agreement can be changed, altered or modified except in a writing signed by both the Seller and the Buyer. Any change not complying with the terms of this paragraph 27 shall be null and void.
 28. Assignment. The Seller cannot sell, assign or in any manner transfer any interest it has in the Agreement. The Buyer shall be permitted to perform any obligation under these Purchase Terms or the Agreement personally or through an affiliate of the Buyer.
 29. No Agency. The Agreement and these Purchase Terms shall in no manner create any form of agency or partnership between the Seller and the Buyer.
 30. Waiver. A waiver of any right or remedy under the Agreement or these Purchase Terms or by law is only effective if given in writing and shall not be deemed to be a waiver of any subsequent breach or default. A failure or delay by a party to exercise any right or remedy provided under the Agreement or these Purchase Terms or by law shall not constitute a waiver of that or any other right or remedy. No single or partial exercise of any right or remedy provided under the Agreement or these Purchase Terms or by law shall prevent the further exercise of that or any other right or remedy. A party that waives a right or remedy provided under the Agreement or these Purchase Terms or by law in relation to one party, does not affect its rights in relation to any other party.
 31. Severability. In the event that any term or provision of the Agreement or these Purchase Terms is held, by a court of competent jurisdiction or any arbitrator(s) hereunder duly appointed, to be invalid, void, or unenforceable, then said invalid, void or unenforceable term or provision shall be deemed severable, and the remaining terms and provisions of the Agreement and these Purchase Terms shall remain in full force and effect insofar as legally possible.

32. No Set Off. The Seller shall have no rights to withhold any payments not under dispute, and shall have no rights to set off any liability owed by the Buyer to the Seller on account of any obligation arising under the Agreement, these Purchase Terms or any other agreement. The Buyer shall have the right without prior notice to any person to set off any sum or obligation owed by the Buyer, or any of its affiliates, to the Seller, or any of its affiliates.
33. Indemnification. The Seller shall indemnify and hold the Buyer, and its subsidiaries, affiliates, and their respective directors, officers, employees, agents and representatives, harmless from and against all liability, loss, damage, fine, penalty, cost or expense (including any reasonable lawyer's fees on a full indemnity basis) arising out of or resulting from: any non-conforming Commodity; any alleged or actual infringement or misappropriation of any patent, copyright, trade secret or other proprietary right arising from the purchase, use or sale of the Commodities provided by the Seller; any leak or spill of any materials or substances while being transported or delivered to the Buyer or while on the Buyer's premises; any breach by the Seller of any term of these Purchase Terms or the Agreement; the negligent act(s) or omission(s) or willful misconduct of the Seller, its employees, agents, representatives or subcontractors in the performance of any obligation(s) under these Purchase Terms or the Agreement.
34. Currency. Unless otherwise stated, all references to currency shall mean Canadian Dollars.
35. Days and Business Days. The term "day" or "days" shall mean calendar days. The term "business day" or "business days" shall mean any day, other than a Saturday, Sunday or public holiday celebrated within the Province of Ontario (Canada), and when banks are open for business in said province.
36. Gender, etc. The singular shall include the plural, and vice versa. Any word importing gender shall include the other genders.
37. Further Assurances. Both the Seller and the Buyer agree to execute and deliver any further papers, documents, instruments or writings reasonably requested by the other party in order to effectuate, implement or clarify the terms and conditions of these Purchase Terms or the Agreement.
38. Binding Effect. The Agreement and these Purchase Terms shall inure to, and be binding upon, the Buyer and the Seller and their respective heirs, executors, administrators, successors and assigns.
39. Execution. The Agreement may be executed in one or more counterparts, and by each party hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. The parties hereto agree that signed copies of the Agreement sent by facsimile or attached as a document to an email shall be deemed to be originals and shall be deemed to be delivered when sent so long as, in the case of a facsimile, a receipt is obtained by the sender showing the facsimile transmission was successfully sent to the other party.
40. No Contact. Under no circumstances shall the Seller, or any third party acting upon the Seller's behalf or at the Seller's direction, contact any customer of the Buyer, either directly or indirectly.
41. Validity without Signature. It is the intent of the Buyer to enter contracts to purchase Commodities per these Purchase Terms and any Agreement presented to the Seller to which these Purchase Terms relate. In the event that the Seller does not sign the Agreement presented by the Purchaser, either through inadvertence or for any other reason (including presentation to the Buyer of its own form of sales agreement or sales terms), but elects to proceed with the sale of any Commodity which is the subject of an Agreement (incorporating these Purchase Terms) which the Buyer presented to the Seller, then any performance by the Buyer shall be construed to be partial performance by the Buyer sufficient for the Buyer to rely upon the presented Agreement and these Purchase Terms to bind the Seller to the terms of the presented Agreement and these Purchase Terms under any applicable law governing the Agreement and these Purchase Terms.

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1. A "Canadian person or entity" shall, for purposes of these Purchase Terms be defined, in the case of a natural person, as a person who is either a Canadian citizen, Canadian permanent resident, or person actually conducting business legally within Canada and being domiciled in Canada at the time of the making of the Agreement; and, in terms of any entity that is not a natural person, is an entity either formed or incorporated in Canada, or is actually conducting business legally within Canada and having a physical business address within Canada from which the natural person acting upon behalf of the entity was situated at the time of the making of the Agreement. Any person or entity not meeting the definitions set forth in the immediately preceding sentence shall be defined as "not a Canadian person or entity" for the purposes of these Purchase Terms. Any natural person acting upon his own behalf, in the event that he is both a Canadian and American under the terms of these Purchase Terms, shall be considered a Canadian for purposes hereof.
 2. An "American person or entity", for purposes of these Purchase Terms, shall be defined, in the case of a natural person, as a person who is either an American citizen, American permanent resident, or person actually conducting business legally within the United States and being domiciled in the United States at the time of the making of the Agreement; and, in terms of any entity that is not a natural person, is an entity either formed or incorporated in the United States, or is actually conducting business legally within the United States and having a physical business address within the United States from which the natural person acting upon behalf of the entity was situated at the time of the making of the Agreement. Any person or entity not meeting the definitions set forth in the immediately preceding sentence shall be defined as "not an American person or entity" for the purposes of this paragraph number 9 of these Purchase Terms.



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3. For purposes of this paragraph 22 of these Purchase Terms, a "North American person or entity" shall be any person or entity that, at the time of making the Agreement, maintained an office for the conduct of business on the North American continent, regardless of where the Agreement was negotiated from upon said Seller's behalf.



A CANADIAN COMPANY SUPPLYING THE ORGANIC, NON-GMO AND SPECIALTY CROP INDUSTRY WITH PRIME FOOD AND FEED GRADE PRODUCTS
