

THIS AGREEMENT

1. THESE TERMS AND CONDITIONS ("AGREEMENT") APPLY TO YOUR ("BUYER") PURCHASE AND THE SHIPMENT OF PRODUCTS OR RELATED SERVICES ("PRODUCT") SOLD AND SHIPPED BY CANADIAN AMERICAN BOXED MEATS ("CANAMMEATS"), INCLUDING ITS AFFILIATES OR SUBSIDIARIES, AS DESCRIBED IN THE CONFIRMATION THAT WILL BE PROVIDED TO BUYER ON ORDERS FOR PRODUCT. BY PROCEEDING WITH THIS TRANSACTION, BUYER IRREVOCABLY AGREES TO BE BOUND TO THE TERMS AND CONDITIONS OF THIS AGREEMENT.

2. THIS TRANSACTION HAS BEEN CONCLUDED IN THE ENGLISH LANGUAGE AND THIS AGREEMENT AND THE APPLICABLE CONFIRMATION TOGETHER CONSTITUTE THE ENTIRE AND SOLE AGREEMENT BETWEEN CANAMMEATS AND BUYER. NO AGREEMENT OR OTHER UNDERSTANDING IN ANY WAY MODIFYING THIS AGREEMENT SHALL BE BINDING UPON CANAMMEATS UNLESS MADE IN WRITING, AND ACCEPTED OVER THE SIGNATURE OF AN AUTHORIZED EXECUTIVE OF CANAMMEATS.

TITLE TO PRODUCT

3. TITLE TO PRODUCT SOLD AND SHIPPED BY CANAMMEATS TO THE BUYER SHALL NOT PASS TO THE BUYER UNTIL CANAMMEATS HAS RECEIVED PAYMENT FOR THE PRODUCT IN FULL AS SPECIFIED IN THE APPLICABLE SALES CONFIRMATION.

SHIPMENT

4. CANAMMEATS WILL USE ITS BEST COMMERCIALY REASONABLE EFFORTS TO COMPLY WITH THE SHIPPING PERIOD BUT SUCH PERIODS ARE ESTIMATES ONLY AND NO GUARANTEE IS GIVEN AND TIME SHALL NOT BE OF THE ESSENCE IN RESPECT THEREOF. CANAMMEATS SHALL ACCEPT NO LIABILITY OF ANY NATURE WHATSOEVER FOR FAILURE TO MEET DELIVERY DATES AND SUCH FAILURE SHALL NOT ENTITLE BUYER TO REPUDIATE OR CANCEL THE AGREEMENT.

DEMURRAGE

5. DEMURRAGE, IF ANY, SHALL BE CHARGED IN ACCORDANCE WITH, AND THE PARTIES HEREBY INCORPORATE, THE RELEVANT CHARTER PARTY AND/OR SHIPPING AGREEMENT AND/OR FIXTURE RECAP COVERING THE RESPECTIVE VOYAGE. ANY DEMURRAGE PAID BY CANAMMEATS ON BUYER'S BEHALF WILL BE PAYABLE TO CANAMMEATS WITHIN 2 DAYS OF DEMAND FOR SAME.

PAYMENT OF PURCHASE PRICE

6. A CHANGE IN THE MARKET PRICE OF A PRODUCT SHALL NOT RELEASE THE BUYER FROM ITS OBLIGATION TO PAY THE ENTIRE AMOUNT OWING FOR THE PRODUCT AS DESCRIBED IN THE SALES CONFIRMATION

7. ACCEPTANCE BY CANAMMEATS OF PAYMENT IN ARREARS OR PARTIAL PAYMENT OF THE PURCHASE PRICE SHALL NOT UNDER ANY CIRCUMSTANCES AND NOTWITHSTANDING ANY REPRESENTATION OR ASSURANCES MADE BY CANAMMEATS TO THE CONTRARY, BE DEEMED A WAIVER OF CANAMMEATS RIGHT TO DEMAND PAYMENT IN FULL OR A WAIVER OF ANY RIGHT OR REMEDY THAT CANAMMEATS MAY HAVE ON ANY FUTURE OCCASION.

NOTICE OF DEFECT

8. WRITTEN NOTICE OF ANY DEFECT OF THE PRODUCT, AND SATISFACTORY PROOF, MUST BE GIVEN BY THE BUYER TO CANAMMEATS NO LATER THAN FIVE BUSINESS DAYS AFTER THE DATE THE PRODUCT IS RELEASED OF THE PORT OF DISCHARGE. IF THE BUYER DOES NOT PROVIDE NOTICE OF A DEFECT WITHIN THE FIVE-DAY PERIOD, THE PRODUCT SHALL BE DEEMED TO BE (I) FREE FROM DEFECT, (II) OF GOOD AND MERCHANTABLE QUALITY AND (III) FIT FOR THE PURPOSE FOR WHICH THE PRODUCT WOULD NORMALLY BE USED.

CARGO INSURANCE

9. IT IS UNDERSTOOD AND AGREED THAT IF CARGO INSURANCE IS PROVIDED BY CANAMMEATS, IT WILL TERMINATE ON THE EXPIRY OF 15 DAYS FROM THE DATE OF ARRIVAL OF THE GOODS AT THE PORT OF DISCHARGE. IF AN EXTENSION TO THIS INSURANCE IS REQUIRED, CANAMMEATS MUST BE NOTIFIED IN WRITING PRIOR TO THE 15TH DAY.

RIGHTS OF CANAMMEATS TO TERMINATE

10. CANAMMEATS MAY IMMEDIATELY TERMINATE THE SALE OF PRODUCT TO THE BUYER BY GIVING NOTICE OF TERMINATION TO THE BUYER (WHICH NOTICE SHALL BE IMMEDIATELY EFFECTIVE):

- (a) IF THE BUYER FAILS TO PAY, WHEN DUE, ANY AMOUNT PAYABLE TO CANAMMEATS;
- (b) IF THE BUYER FAILS TO OBSERVE OR COMPLY WITH ANYTHING REQUIRED TO BE DONE BY THE BUYER UNDER THE AGREEMENT; OR
- (c) IF THE BUYER BECOMES BANKRUPT, INSOLVENT OR MAKES AN ASSIGNMENT FOR THE BENEFIT OF CREDITORS OR THE BUYER IS UNABLE TO MEET ITS OBLIGATIONS AS THEY BECOME DUE.

INTEREST ON OVERDUE AMOUNTS

11. INTEREST CHARGES ON OVERDUE AMOUNTS SHALL BE LEVIED AND INVOICED AT CANAMMEATS OPTION AT A RATE OF 2% PER MONTH FOR AN EFFECTIVE ANNUAL INTEREST RATE OF 27.125%.

FINAL AND BINDING ARBITRATION

12. ANY AND ALL DISPUTES, CONTROVERSIES OR CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT, OR THE BREACH, TERMINATION OR INVALIDITY THEREOF, SHALL BE SETTLED BY ARBITRATION IN ACCORDANCE WITH THE UNCITRAL ARBITRATION RULES AS AT PRESENT IN FORCE. THE FOLLOWING SHALL APPLY TO THE ARBITRATION AND PREVAIL IN THE EVENT OF A CONFLICT WITH THE UNCITRAL RULES:

- (a) THE PLACE OF THE ARBITRATION SHALL BE TORONTO, ONTARIO AND THE LANGUAGE OF THE ARBITRATION SHALL BE ENGLISH.
- (b) THE SEAT OF ARBITRATION SHALL BE TORONTO, ONTARIO, CANADA.
- (c) THERE SHALL BE ONE ARBITRATOR. IF THE PARTIES CANNOT AGREE ON THE ARBITRATOR WITHIN 10 DAYS OF COMMENCEMENT OF ARBITRATION, EITHER PARTY MAY MAKE A REQUEST TO ADR CHAMBERS INTERNATIONAL (THE APPOINTING AUTHORITY UNDER THIS AGREEMENT) FOR THE APPOINTMENT OF A SINGLE ARBITRATOR IN ACCORDANCE WITH THE APPOINTMENT PROVISIONS OF THE UNCITRAL ARBITRATION RULES.
- (d) UNLESS THE PARTIES CONSENT OR THE ARBITRATOR ORDERS OTHERWISE, THE FOLLOWING PROCEDURES AND TIMELINES SHALL BE ADHERED TO:

- (i) THE CLAIMANT SHALL DELIVER A STATEMENT OF CLAIM WITHIN 10 DAYS OF THE ARBITRATOR BEING APPOINTED.
- (ii) THE RESPONDENT SHALL DELIVER A STATEMENT OF DEFENCE WITHIN 15 DAYS OF RECEIVING THE CLAIMANT'S STATEMENT OF CLAIM.
- (iii) THE PARTIES SHALL BE REQUIRED TO PRODUCE ALL DOCUMENTS THAT THEY INTEND TO RELY ON AT THE HEARING OF THE ARBITRATION WITHIN 10 DAYS OF THE DELIVERY OF THE RESPONDENT'S STATEMENT OF DEFENCE.
- (iv) THE PARTIES SHALL BE LIMITED TO NO MORE THAN 7 HOURS OF PRE-TRIAL DISCOVERY EXAMINATION.
- (v) THE ARBITRATION HEARING SHALL NOT BE ANY LONGER THAN THREE DAYS.
- (vi) THERE SHALL BE NO APPEAL FROM THE DECISION OF THE ARBITRATOR.

LIABILITY FOR COSTS

13. ANY AND ALL LEGAL, ARBITRATION, AGENCY, COURT OR ATTORNEY FEES WHATSOEVER INCURRED BY CANAMMEATS OR ITS SUBSIDIARIES TO COLLECT ON ANY DEBT, FINANCIAL DISPUTE, RESOLUTION, ALLEGED INJURY, OR TRADE DISPUTES RELATED TO THIS AGREEMENT WILL BE PAYABLE BY THE BUYER.

14. BUYER AND ANY AFFILIATE OF BUYER WHO ENTERS INTO AN AGREEMENT WITH CANAMMEATS SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ANY FEES REFERRED TO IN CLAUSE 13.

NOTICE AND SERVICE OF PROCESS

15. ANY NOTICE, INSTRUCTION OR DOCUMENT TO BE GIVEN BY EITHER THE BUYER OR CANAMMEATS IN CONNECTION WITH THE AGREEMENT SHALL BE GIVEN IN WRITING AND MAY BE DELIVERED PERSONALLY, BY FAX OR BY E-MAIL TO THE PLACE OF BUSINESS SET OUT IN THE SALES CONFIRMATION. ANY NOTICE SHALL BE DEEMED (IN THE ABSENCE OF EVIDENCE OF PRIOR RECEIPT) TO BE RECEIVED THE SAME DAY IF PERSONALLY SERVED AND THE NEXT BUSINESS DAY IF

SENT BY FAX OR BY E-MAIL.

16. THE BUYER AGREES TO AND SHALL ACCEPT SERVICE OF ANY LEGAL PROCESS (INCLUDING NOTICE OF ARBITRATION IN ACCORDANCE WITH SECTION 12) TO THE BUYER'S ADDRESS SET OUT ON THE SALES CONFIRMATION.

LIMIT OF CANAMMEATS LIABILITY

17. IN NO EVENT SHALL CANAMMEATS BE RESPONSIBLE FOR ANY DIRECT, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF ANTICIPATED PROFITS, LOSS OF TIME, OR ANY OTHER LOSSES INCURRED BY THE BUYER IN RESPECT OF, RELATED TO, OR ARISING OUT OF THE PURCHASE OF THE PRODUCT.

RIGHT OF SET-OFF

18. CANAMMEATS IS AUTHORIZED TO THE FULLEST EXTENT PERMITTED BY LAW, TO SET-OFF AND APPLY ANY AMOUNT OWED TO IT FROM THE BUYER UNDER ANY AGREEMENT OR ARRANGEMENT, AGAINST ANY AMOUNT WHICH IT OWES TO THE BUYER.

FORCE MAJEURE

19. CANAMMEATS SHALL NOT BE IN BREACH OF ANY OF ITS OBLIGATIONS UNDER OR RELATED TO THIS AGREEMENT AND CANAMMEATS SHALL NOT BE LIABLE FOR ANY NON-PERFORMANCE OR DELAY IN PERFORMANCE UNDER OR RELATED TO THIS AGREEMENT, WHERE THE FAILURE TO PERFORM OR DELAY IN PERFORMING IS DUE, WHOLLY OR IN PART, DIRECTLY OR INDIRECTLY, TO THE OCCURRENCE OR APPREHENSION OF: AN ACT OF GOD, AN ACT OF PUBLIC ENEMY, ACTS OF GOVERNMENTAL BODIES OR AGENCIES (FOREIGN OR DOMESTIC), SABOTAGE, AN ACT OF WAR (WHETHER OR NOT DECLARED), TERRORISM, RIOT, FIRE, FLOODS, TYPHOONS, EXPLOSIONS OR OTHER CATASTROPHES, EPIDEMICS OR QUARANTINE RESTRICTIONS, LABOUR UNREST OR LABOUR SHORTAGES, ACCIDENT, FREIGHT EMBARGOES, DELAYS OCCASIONED BY CARRIERS, AN INABILITY TO PROCURE ANY LICENCE, PERMIT, PERMISSION OR AUTHORITY, AN INABILITY TO OBTAIN MATERIALS, GOODS, EQUIPMENT, SERVICES, UTILITIES OR LABOUR, OR BECAUSE OF ANY OTHER FORTUITOUS EVENT FOR THE PERIOD OF TIME OCCASIONED BY ANY SUCH OCCURRENCE.

RIGHT TO SECURITY

20. THE PARTIES EXPRESSLY ACKNOWLEDGE THE NATURE OF THE TRANSACTION AND AGREE THAT CANAMMEATS SHALL BE ENTITLED TO SEEK SECURITY FOR ANY CLAIMS THAT MAY ARISE OUT OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO EX PARTE ATTACHMENT APPLICATIONS OR ANY OTHER RIGHT OR REMEDY AVAILABLE AT LAW OR IN EQUITY.

ASSIGNMENT

21. ALL RIGHTS AND OBLIGATIONS OF CANAMMEATS AND THE BUYER SET OUT IN THE AGREEMENT SHALL INURE TO THE BENEFIT OF AND BE BINDING UPON THEIR SUCCESSORS AND PERMITTED ASSIGNS. CANAMMEATS ONLY MAY TRANSFER ALL OR PART OF THE RIGHTS AND OBLIGATIONS SET OUT IN THIS AGREEMENT TO ITS AFFILIATES, SUBSIDIARIES, ANY OF THIS ASSIGNS OR OTHER LEGAL ENTITIES THAT IT DESIGNATES.

GOVERNING LAW

22. THIS AGREEMENT IS SUBJECT TO AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF ONTARIO, CANADA.