Schedule A- Purchase Terms and Conditions

- 1. Priority of Terms and Conditions. Hometown Food Company and their affiliates, hereby notify any provider ("Seller") of goods ("Products") or services ("Services") in advance that they object to any terms and conditions in Seller's quotation, invoice, confirmation or other document that are additional to or different than these Terms, whether or not the additional or different terms would materially alter these Terms. As used herein, "Buyer" means the entity for which a purchase is being made. If a contract between Buyer and Seller is established through performance or other conduct, the terms and conditions of that contract will not be deemed to consist only of terms and conditions as to which the parties' writings agree, but rather these Terms will be a part of that contract and will prevail over the conflicting and/or different terms and conditions of any other document forming a part of the contract. These Terms and the related or accompanying purchase order (the "Order") constitute the entire agreement of Buyer and Seller with respect to the subject matter of the Order, and no statement purporting to modify these Terms shall be binding unless reduced to writing and signed by the party to be bound thereby.
- 2. Order Changes. Buyer reserves the right at any time to change the type, quantity, and place and/or time of delivery of the Products or Services. If any such change causes an increase or decrease in the cost of or the time required for Seller's performance, an equitable adjustment may be made in the price and/or delivery schedule. Any claim for adjustment by Seller will be deemed waived unless made in writing within 10 days after receipt of the change. Nothing contained herein will relieve Seller from its obligation to proceed without delay to perform the Order, as changed. Buyer may cancel the Order without liability at any time prior to Buyer's receipt of the ordered Products or Services.
- 3. Price: Payment Terms. Prices are FOB Buyer-specified destination and include packing and shipping charges. For international transactions, delivery terms are Delivered Duty Paid (DDP) (Incoterms 2000) Buyer-specified destination. Seller's prices include all applicable packaging, transportation costs, insurance, taxes, duties and levies, including but not limited to sales, use, value-added, and excise taxes. Unless otherwise specifically agreed in writing, Buyer will not accept any prices or fees that are higher than the prices or fees specified in the Order. If no prices or fees are specified in the Order, Seller must notify Buyer of the price and Buyer's acceptance must be obtained in writing prior to the delivery of the Product or rendering of the Services. If Seller reduces its prices or fees to any customer prior to delivery of the Products or rendering of the Services, the lower prices or fees will apply to Buyer. Payment is due in U.S. dollars within 45 days after Buyer's receipt of an accurate and itemized invoice referencing a valid PO number, unless otherwise agreed in writing. Buyer may set off any amount owing to Buyer or any affiliate from Seller or any affiliate of Seller against any amount payable by Buyer to Seller under this Order or any other transaction with Seller.
- 4. <u>Delivery, Risk of Loss; Force Majeure.</u> Time is of the essence with respect to Seller's obligations and the timely delivery of the Goods and/or Services under the Order. Seller, at its own risk and expense, will deliver the Products and/or perform the Services at the place(s), in the manner, and at the times specified by Buyer. Seller shall notify Buyer in writing immediately of any circumstance that may cause a change in delivery. Buyer may return or store, at Seller's risk and expense, any Products delivered prior to the specified date(s). If Seller does not deliver the Products or perform the Services within the time(s) specified, Buyer may, in addition to its other rights and remedies: (i) terminate the affected portion of the Order; (ii) obtain substitute goods or services elsewhere and Seller will pay all costs and expenses associated therewith, and (iii) expedite shipment of the Products and Seller will pay all costs and expenses associated therewith. Neither party shall be liable for a delay in performance of its obligations and responsibilities under this Order to the extent due to causes beyond its reasonable control, and without its fault or negligence, such as war, embargo, national emergency, insurrection or riot, acts of the public enemy, fire, flood or other natural disaster, provided that said party has taken reasonable measures to notify the other promptly in writing of delay (and in any event, within 72 hours of such force majeure event). Failure of subcontractors or a continuous period of more than 30 days, Buyer may terminate the Order immediately by giving written notice to Seller.
- 5. Warranties. Seller warrants that all Products delivered to Buyer will (i) comply with any specifications delivered by Buyer to Seller ("Specifications"), (ii) be merchantable, (iii) be free from defects, (iv) be of good material and workmanship and (v) be fit and sufficient for the purposes intended. Seller warrants that all Services rendered to Buyer will be performed in a good and workmanlike manner by qualified personnel and in accordance with any Specifications and all applicable laws and regulations. Professional services will be performed in accordance with all applicable professional standards for the field of expertise. Seller further warrants that on delivery Buyer will receive good title to the Products, free and clear of all claims, liens and encumbrances, and that the Products and Services will be free from any actual or claimed infringement of any patent, copyright, trademark or other intellectual property right. The foregoing warranties are cumulative and in addition to any warranties implied by law or otherwise made by Seller and will survive acceptance and payment by Buyer. If the Order relates to the purchase of any food, drug, cosmetic or device, or substance the intended use of which may reasonably be expected to result in its becoming a component or otherwise affecting the characteristics of any food, drug, cosmetic or device (including any substance intended for use in producing, manufacturing, packing, processing, preparing, treating, packaging, transporting or holding any food, drug, cosmetic or device), Seller warrants that the Product may lawfully be introduced into interstate commerce and is not adulterated or misbranded within the meaning of the U.S. Federal Food, Drug and Cosmetic Act, as amended, or any other applicable laws, rules or regulations (including Canadian federal, provincial and municipal laws, rules and regulations).
- 6. <u>Inspection and Testing.</u> Buyer will be entitled to inspect and test the Products, or the results of the Services, within a reasonable time after delivery, which Seller acknowledges will be not less than 60 days after receipt of the Products or final completion of the Services. Final acceptance of the Products or Services will not be deemed to have occurred until the expiration of the inspection period. Neither Buyer's failure to conduct inspection or testing, nor the failure to discover nonconforming Products or Services, nor payment by Buyer will prejudice Buyer's continuing right to reject (or revoke acceptance of) nonconforming Products or Services and to avail itself of any other remedy.
- 7. <u>Services Personnel.</u> All personnel performing Services shall be qualified to perform the tasks assigned to them. Seller acknowledges that Seller is an independent contractor and Seller shall have no authority to bind or otherwise obligate Buyer in any manner, nor shall Seller represent that it has the right to do so. Buyer may review and approve any personnel assigned to perform Services. Within two (2) business days after written notice from Buyer, Seller will replace any of its personnel who fail to perform Services as required in accordance with the Order with qualified personnel who are reasonably satisfactory to Buyer.
- 8. Assignment; Delegation; Subcontracting. Neither party may assign, delegate, subcontract or transfer any of its rights or obligations under the Order without the other party's prior written approval, and any purported assignment, delegation, subcontracting or transfer in violation of this Section shall be null and void; provided, however, that Buyer may assign its rights and obligations under the Order without the prior written approval of Seller to one of its affiliates and/or in connection with the sale of all or substantially all of Buyer's assets. In the event of any approved delegation or subcontracting by Seller, Seller shall continue to be liable with respect to all of the obligations hereunder and hereby guarantees satisfactory performance of the Order. Seller shall enter into a written agreement with any permitted subcontractor, which, at a minimum, meets the insurance requirements of these Terms and includes provisions protecting Buyer's Confidential Information in a manner consistent with these Terms.
- 9. <u>Limitation of Liability.</u> Buyer's liability arising out of or in connection with the Order will not exceed the price or fees allocable to the Product (or unit thereof) or Service giving rise to the claim.
- 10. <u>Seller's Required Insurance Coverage</u>. Seller shall, at its own expense, maintain and carry the following insurance in full force and effect: Workers Compensation & Employers' Liability Insurance with limits of at least:
 - o \$1,000,000 Per Accident
 - o \$1,000,000 Policy Limit

o \$1,000,000 Each Employee

General/Product/Professional Liability Insurance with limits of at least:

- s \$5,000,000 Per Occurrence
- o \$6,000,000 General Aggregate

 \$6,000,000 Products Completed Operations Aggregate

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A certificate of insurance shall be provided to Buyer before product is released on an ACORD certificate naming the applicable Buyer and its affiliates as additional insureds on general liability and umbrella insurance, as their interests may appear. Carriers must have an AM Best's rating of at least A-VII

- 11. Indemnity. Seller will indemnify, defend and hold harmless Buyer and its shareholders, directors, officers, employees, agents and affiliates from and against any and all damages, loss, liability, suits, actions, demands, proceedings (whether legal or administrative) and expenses (including but not limited to reasonable attorneys' fees and the cost enforcing this indemnity) arising, directly or indirectly, out of or in connection with (i) any claim of infringement of any patent, copyright, trademark or other intellectual property right relating to the Products or Services, and (ii) any breach of these Terms, misrepresentation, negligence or misconduct on the part of Seller, its employees, subcontractors or agents. The foregoing indemnity will remain operative and in full force and effect regardless of any termination or expiration of the Order, and will be in addition to any liability that Seller otherwise may have to Buyer. Seller shall not enter into any settlement without Buyer's prior written consent.
- Confidential Information of Buyer, its affiliates or its customers. The term "Confidential Information" means all non-public, confidential or proprietary information, including but not limited to, data, formulae, processes, documentation, records, specifications, procedures, test results, evaluations, experience, know-how, and materials, and all financial, employment, technical, engineering, production, marketing, sales, legal and other information in any form and whether or not marked or otherwise identified as being "confidential" or "proprietary" relating, directly or indirectly, to the business, employees, assets, products, technology or research and development activities of Buyer, its affiliates or customers, as well as all written materials, data, records, documents and other information prepared by or on behalf of Seller on the basis of, or including, such information. Seller hereby recognizes the competitive value and confidential nature of the Confidential Information. Seller will use the Confidential Information solely for the purpose for which it was disclosed to Seller, and Seller will take all necessary precautions to keep the Confidential Information strictly confidential. Seller may disclose Confidential Information to its employees who have a bona fide reason to know such information in connection with the Order. Seller will inform such persons of the confidential Information to the Confidential Information, will direct them to treat such information as strictly confidential that shall not be disclosed, and will be liable for any improper use or disclosure of Confidential Information by them. Seller also may disclose Confidential Information (including all copies of all documents included in the Confidential Information will be returned to Buyer. Upon Buyer's request at any time, all tangible Confidential Information will continue to be subject to the terms of these Terms. Seller's obligations under this Section shall survive the expiration or termination of any contract or business relationshi
- 13. Non-Solicit. For a period of one year from the date Seller no longer has a business relationship with Buyer, Seller shall not directly or indirectly (i) either alone or in association with others, solicit or induce any customer of Buyer to terminate or modify its business relationship with Buyer, or (ii) either alone or in association with others, solicit or induce any Buyer employee to terminate employment with Buyer.
- 14. <u>Termination.</u> In addition to any remedies that may be provided under these Terms, Buyer may terminate the Order with immediate effect upon written notice to the Seller, either before or after the acceptance of the Goods or the Services, if Seller has not performed or complied with any of these Terms, in whole or in part. If the Seller becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors, then Buyer may terminate the Order upon written notice to Seller. If Buyer terminates the Order for any reason, Seller's sole and exclusive remedy is payment for the Goods received and accepted and Services accepted by Buyer prior to the termination.
- 15. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Order or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.
- 16. <u>Severability.</u> If any term or provision of these Terms is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of these Terms or invalidate or render unenforceable such term or provision in any other jurisdiction.
- 17. <u>Amendment and Modification.</u> These Terms may only be amended or modified in a writing stating specifically that it amends these Terms and is signed by an authorized representative of each party.
- 18. No Waiver. The failure of either party to insist upon performance of any of these Terms or to take advantage of any of its rights hereunder will not be construed as a waiver of such provisions or the relinquishment of such rights. No single or partial exercise by either party of any right or remedy will preclude other or further exercise thereof or the exercise of any other right or remedy.
- 19. Governing Law; Forum Selection. These Terms and the Order, all rights and obligations between the parties to these Terms and the Order, and all claims arising out of or relating to the subject matter of these Terms and the Order (including tort claims), will be governed by the laws of the State of Connecticut, U.S.A., without regard to conflict of laws principles. Any litigation or other legal proceeding based upon or related to these Terms and the Order, its subject matter, or the rights or obligations of the parties to these Terms and the Order, must be brought and shall remain exclusively in an appropriate court of competent jurisdiction (state or federal) located in the State of Connecticut. The rights and obligations of the parties to these Terms and the Order will not be governed by the provisions of the 1980 UN Convention on Contracts for the International Sale of Goods; rather these rights and obligations will be governed by the laws of State of Connecticut.