

TERMS AND CONDITIONS

These Purchase Order Terms and Conditions (these “**T&Cs**”) are incorporated by reference and are deemed a part of the Purchase Order (together, the “**PO**”) between the purchaser, Ag Growth International Inc. and its affiliates or subsidiaries (individually and collectively, “**AGI**”), and vendor (“**Vendor**”) as set out therein, for goods (the “**Goods**”) and/or services (the “**Services**”) described therein. A PO will be deemed accepted by Vendor unless, within three calendar days after issuance of the PO, Vendor notifies AGI in writing that Vendor rejects the PO. Additional or contradictory terms in Vendor’s acknowledgement are expressly rejected and are void. In the event of any conflict between the PO’s specific terms and provisions, including any exhibits or documents attached thereto or incorporated by reference therein, and the standard terms and conditions set forth herein, these T&Cs shall control. These T&Cs may not be waived or modified except as specifically set forth in writing by AGI.

- 1. Scope of Goods and/or Services:** Vendor shall provide to AGI the Goods and/or Services described on the PO at the times, for the price, at the locations (the “**Locations**”), and as otherwise as set forth on the PO. Vendor shall perform any Services professionally and competently, in a good and workmanlike manner, and in accordance with the standards set forth in the PO and otherwise prevailing in Vendor’s business in the Locations. AGI may reduce the scope of the Services upon reasonable notice and shall pay Vendor pro rata for any reduced Services at the rate specified in the PO, without penalty. Upon the placement of an order by AGI, any and all Good(s) ordered, leased or purchased hereunder, whether tangible or intangible, shall be deemed identified. AGI may reduce any quantity of goods or services ordered or leased upon reasonable notice and shall pay Vendor pro rata for the reduced amount of Good(s) or Services delivered at the rate herein specified, without penalty. Risk of loss shall pass to AGI only upon delivery to AGI. Orders not shipped on the date specified by AGI, or promised by Vendor, are subject to cancellation at AGI’s option. Vendor shall follow the shipping instructions as specified by AGI. In the absence of instructions, Vendor shall route all shipments via the most economical mode of commercially reasonable transportation available consistent with the time requirements established by the PO. The Services shall be subject to AGI’s reasonable approval, but payment by AGI shall not constitute either approval or a waiver of any of AGI’s rights with respect thereto or otherwise hereunder
- 2. Inspection, Acceptance or Rejection:** AGI shall have 90 days after receipt of Goods/Services to accept or reject them as nonconforming with this PO, as determined by AGI acting reasonably. AGI’s failure to reject any Goods/Services within such time frame shall be deemed acceptance thereof. Rejected Goods/Services shall be returned to Vendor, transportation charges collect, or promptly corrected by Vendor at Vendor’s sole cost, as applicable. AGI may reject the Goods/Services in whole or in part. Vendor agrees that AGI’s payment under this PO shall not be deemed acceptance of any Goods/Services delivered or performed hereunder. Acceptance shall not relieve Vendor of its warranty obligations or liability for latent defects
- 3. Payment Terms:** Unless otherwise provided in a PO, all invoices for Goods/Services are due 90 days after the date of invoice
- 4. Delivery:** Unless otherwise agreed to in writing, all Goods are priced and shipped pursuant to the Incoterm set out in the applicable PO, in accordance with International Rules “Incoterms 2020”. Delivery and/or performance of the Goods/Services must be completed within the term stated in this PO.
- 5. Packaging:** Vendor shall provide proper and adequate packaging and packing lists in accordance with prevailing commercial best practices (or as per specifications provided by AGI) to ensure that Goods

shipped to AGI will be free of damage. Vendor shall use commercially reasonable efforts to utilize recycled and/or recyclable packaging materials. AGI shall reserve the right to reject any and all shipments deemed by AGI to have been inadequately packaged.

6. Warranties: One (1) year (12 months) parts and equipment from date of first operation of the Goods or completion of the Services (the "Warranty Period"). Vendor warrants that Goods/Services shall (a) conform to the specifications, and drawings agreed upon in writing by Vendor and AGI (the "Specifications") as set out in the PO, or in the absence of agreement on Specifications as of the date of the PO, Vendor warrants that such Goods/Services shall be fit for all their intended uses and purpose(s) and be merchantable; (b) be free from defects in material, design and workmanship and (c) conform to all applicable laws, bylaws, codes and regulations in effect on date of delivery or any other laws or regulations specifically set forth in the Specifications.

Vendor warrants further that all Services to be provided shall (a) be performed in a skillful and workmanlike manner and (b) in accordance with all applicable laws, regulations, orders, by-laws and codes.

Goods which breach the above warranty within the Warranty Period shall be repaired or replaced, or, if repair or replacement is not reasonably feasible, available or practical, returned to the Vendor at Vendor's cost in exchange for a refund to AGI of the entire purchase price paid for the applicable Goods/Services.

Vendor shall assign to AGI any warranties it or its affiliates receive from any third party as relates to the Goods/Services. If the warranties cannot be assigned, Vendor agrees to make claims in a prompt and proper manner under the warranties on AGI's behalf upon request at the Vendor's sole cost. If the assigned warranty from a third party is less than Warranty Period Vendor shall cover the remaining Warranty Period.

If Goods/Services, or components thereof, are repaired or replaced pursuant to this warranty, the Warranty Period originally applicable to such components shall re-commence as from the date such repair or replacement is completed.

7. Clear Title: Vendor warrants that it has, or at the time of performance shall have, and shall transmit to AGI good title to the Goods/Services, free and clear of all encumbrances and liens of any kind whatsoever, and that all Goods/Services provided pursuant to, or in connection with, this P.O. shall not infringe the intellectual property rights of any other party existing as of the date of delivery of the Goods. In the event of any claim of infringement Vendor shall at its sole cost obtain a license enabling the AGI to use the Goods/Services, or alternatively at its sole cost modify such Goods/Services so that they are non-infringing, or, if in Vendor's sole opinion, neither of the above options are reasonably available, accept return of the Goods to Vendor at Vendor's cost in exchange for a refund to AGI of the entire purchase price paid for the allegedly infringing Goods/ Services, plus, notwithstanding anything to the contrary herein contained all reliance costs whatsoever incurred by AGI, whether direct or indirect. Vendor agrees to hold harmless AGI from all damages and legal costs incurred in respect of any such intellectual property rights claim. Vendor shall have no duty to indemnify AGI against infringements for: (i) any Goods manufactured to AGI's design or specifications to the extent that such infringement arises from or relates to AGI's designs or specifications; (ii) AGI's use of the Goods in combination with other items where such infringement would not have occurred absent such use in combination with other items; or (iii) any Goods modified by AGI without Vendor's prior written consent or contrary to Vendor's instructions.

8. PO Identification: The PO number must appear on all invoices, bills of lading, packing slips, packages and correspondence, as applicable.

9. Indemnification: At Vendor's expense, Vendor will defend, indemnify, and hold AGI, AGI's Affiliates, suppliers, successors, agents, authorized distributors, officers, directors, employees and independent contractors harmless from and against any and all claims, actions, suits, judgments, settlements, proceedings, liabilities, losses, damages, expenses (including consequential damages and lost profits, legal fees and expenses of counsel) and costs asserted against or incurred by AGI arising out of or relating to Vendor's acts, omissions, negligence and/or breach of its warranties or contractual obligations hereunder.

For the purposes of this Agreement, AGI's Affiliates shall mean all companies that are directly or indirectly owned by or that have any ownership interest in AGI.

Such indemnification obligation shall survive the expiration or termination of this Agreement or the applicable PO. AGI shall have the right to actively participate in the defense of any claims, actions, suits or proceedings, including but not limited to, selection of legal counsel, formulation of strategy and approval of any settlement reached.

10. Insurance. The minimum insurance coverage to be maintained by Vendor, at Vendor's sole cost and expense, shall be as follows:

- (a) Commercial general liability insurance written on an occurrence form, including blanket contractual liability coverage, completed operations, and products liability, against claims for bodily injury death, and property damage, affording minimum single limit protection of Three Million Dollars (\$3,000,000.00) per occurrence, and Five Million Dollars (\$5,000,000.00) in the aggregate, with respect to personal injury and property damage.
- (b) In respect of Services, Vendor shall maintain Professional Liability insurance in an amount of not less than \$3,000,000 per claim, and Five Million Dollars (\$5,000,000.00) in the aggregate.
- (c) Employer's Liability insurance with limits of at least One Million Dollars (\$1,000,000) per occurrence.
- (d) Auto Liability insurance with limits of at least One Million Dollars (\$1,000,000) combined single limit for bodily injury and property damage per occurrence.
- (e) Worker's Compensation insurance in accordance with the statutory requirements of the province or state where the applicable AGI facility is located (or work is to be performed), and Employer's liability insurance against claims for bodily injury and death, affording minimum single limit protection of Five Hundred Thousand (\$500,000) Dollars resulting from one occurrence.
- (f) Cyber insurance with limits of at least Five Million Dollars (\$5,000,000) per claim and Five Million Dollars (\$5,000,000) in the aggregate.
- (g) Umbrella Excess Liability insurance with excess of coverage under subsections (a), (c), and (d) with a limit of no less than Four Million Dollars (\$4,000,000) per occurrence.
- (h) AGI shall be named as an additional insured under the coverage set out at subsections (a)

and (g) above. All insurances in subsections (a) through (g) shall be primary to, and noncontributory to insurance maintained by AGI and is to be purchased from reputable, duly qualified insurance companies, with at least an A.M. Best Rating of A-VII; and all such insurance is to be maintained during the Warranty Period and for a minimum of two (2) years thereafter. Such insurance shall be evidenced by a certificate in favour of Vendor Purchaser to be provided within 10 business days of execution of this Agreement, and all such insurance shall contain a provision that it cannot be cancelled, terminated, amended or not renewed without a minimum of 30 days prior written notice from Vendor to Purchaser. Vendor shall obtain and provide to Purchaser an effective certificate of insurance and an effective waiver of subrogation from each insurer in all insurances in subsections (a) through (g) and shall continue to provide current certificates of insurance and waivers of subrogation from each insurer within 15 days of each policy's expiration date. The specification of minimum insurance required to be maintained by Vendor shall not be inferred as a limitation on Vendor's liability, and the decision to forego maintaining further insurance shall be at the sole risk of Vendor.

- (i) Additionally, Vendor shall put in place and maintain any other insurance or increased coverage as requested by AGI from time to time, acting reasonably or which would be maintained by a prudent Vendor.

11. LIMITED LIABILITY. AGI'S ENTIRE LIABILITY ARISING OUT OF THE PERFORMANCE, NONPERFORMANCE, OR ALLEGED BREACH BY AGI OF THIS PO, WHETHER IN CONTRACT OR TORT, SHALL BE LIMITED IN EACH INSTANCE TO ACTUAL DAMAGES PROVEN, EXCLUDING INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES, WHETHER AGI HAS BEEN ADVISED, KNEW, OR SHOULD HAVE KNOWN OF THE LIKELIHOOD OF SUCH DAMAGES. SUCH DAMAGES SHALL BE LIMITED IN EACH INSTANCE TO THE PRICE PAID BY AGI TO THE SUPPLIER PURSUANT TO THE PO GIVING RISE TO SUCH CLAIM.

12. Confidentiality: All information given by AGI to Vendor or otherwise obtained by Vendor relating to the business or operations of AGI or AGI Entities shall be treated by Vendor as confidential, and Vendor shall not disclose the same to third parties without AGI's prior written consent. The foregoing shall not apply to confidential information which (i) is in or enters the public domain other than by breach thereof, (ii) is obtained from a third party lawfully, (iii) is or has been independently generated by Vendor, or (iv) is properly disclosed pursuant to a statutory obligation, the order of a court of competent jurisdiction or that of a competent regulated body. AGI information is and shall remain the property of AGI and Vendor shall not use such information for any purpose other than where strictly necessary for the provision of Goods/Services in accordance with this PO.

13. Use of AGI's name: Vendor may not use AGI's name and /or logo in any manner other than as identified in this PO without first obtaining written permission from AGI.

14. Cancellation: If Vendor defaults in performance of the PO in any material manner and Vendor has not identified a solution to such default to AGI in writing within fifteen (15) days of written notice thereof, or such shorter time period identified by AGI acting reasonably, as necessitated by AGI's business considerations, AGI may cancel Goods/Services in whole or in part without any liability whatsoever in respect of the cancelled Goods/Services and may purchase similar Goods/Services elsewhere. In the event of such occurrence, as contemplated in this section, Vendor shall be liable for

all damages arising from Vendor's failure to perform, including direct and indirect damages. Remedies available to AGI shall be cumulative and not exclusive and are in addition to any other remedies AGI may have at law.

15. Relationship: Vendor represents and warrants, as of the date of this PO, that the fees provided for in the PO were derived consistent with Vendor's internal pricing policies and procedures, Vendor negotiated the PO's terms and conditions on an arm's length basis; and the PO was entered into by Vendor in the ordinary course of its business.

16. Assignment and Subcontracting: Vendor may not assign, transfer or otherwise dispose of any of its rights or sub-contract, transfer or otherwise dispose of any of its obligations under this PO without AGI's prior written consent.

17. Authority: For the avoidance of doubt, the parties confirm that (i) an electronic version of any part of this PO is deemed to be in writing; and (ii) where either party has used an electronic signature (or equivalent) to indicate their acceptance of the terms of this PO, the parties agree that such electronic signature is a valid means of establishing the authenticity and integrity of the signature for the purposes of binding the parties.

15. Origin Control: Vendor represents and warrants that neither it nor any person or entity that owns or controls it is a designated target of economic trade sanctions promulgated by Canada, the United States, the European Union, the United Nations, or the country where related services will be performed ("**Sanction Laws**"). Vendor and its agents and representatives will fully comply with all applicable Sanction Laws in their performance under this Agreement. Vendor agrees to cooperate with AGI's reasonable requests for information or documentation to verify compliance with this clause.

16. Binding Effect. Except as may be agreed in writing by the parties, this PO shall not be binding upon AGI unless signed by an AGI purchasing agent or such other authorized persons as have been designated in writing to Vendor by the AGI purchasing agent (any of which, an "**AGI representative**"). Any alterations, modifications or additions made to these T&Cs will be deemed a counteroffer, void, and of no effect, unless expressly accepted in writing, signed by an AGI representative.

17. Additional Representations and Undertakings. Vendor represents and warrants, on and as of the date hereof, that (1) the Goods and/or Services to be provided hereunder are priced at market rates, (2) this PO does not contain terms and conditions that are, in the aggregate, less favorable than those being offered by Vendor to other buyers with similar levels of spending, and (3) entering this type of order is in the ordinary course of Vendor's business with customers such as AGI. Unless a valid, mutually executed agreement exists between the parties, the terms of this PO shall govern this purchase.

18. Governing Law: This PO shall be governed by and construed in accordance with Manitoba law, without regard to conflicts of law principles. The parties submit to the exclusive jurisdiction of Manitoba courts in connection with any dispute, claim or other matter arising out of or relating to this Agreement or the Goods/Services.