

Halifax Seed Company Inc.
TERMS AND CONDITIONS OF SALE

1. Applicability.

(a) These terms and conditions of sale (these "**Terms**") are the only terms which govern the sale of the goods ("**Goods**") by Halifax Seed Company Inc. (the "**Seller**") to the buyer named in the accompanying sales acknowledgment (the "**Buyer**").

(b) The accompanying sales acknowledgement (the "**Sales Acknowledgement**") and these Terms (collectively, this "**Agreement**") comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any of Buyer's general terms and conditions of purchase regardless of whether or when Buyer has submitted its purchase order or such terms. Fulfilment of Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms. Buyer's acceptance of the Goods shall be deemed to be acceptance by Buyer of these Terms.

2. Delivery.

(a) The Goods will be delivered within a reasonable time after the receipt of Buyer's purchase order, subject to availability. Seller shall not be liable for any delays, loss or damage in transit.

(b) Unless otherwise agreed in writing by the parties, Seller shall deliver the Goods to the shipping address set forth in the Sales Acknowledgement (the "**Delivery Point**") using Seller's standard methods for packaging and shipping such Goods. Buyer shall be responsible for all loading costs and provide equipment and labour reasonably suited for receipt of the Goods at the Delivery Point.

(c) Seller may, in its sole discretion, without liability or penalty, make partial shipments of Goods to Buyer. Each shipment will constitute a separate sale, and Buyer shall pay for the units shipped whether such shipment is in whole or partial fulfilment of Buyer's purchase order.

(d) If for any reason Buyer fails to accept delivery of any of the Goods on the date fixed pursuant to Seller's notice that the Goods have been delivered at the Delivery Point, or if Seller is unable to deliver the Goods at the Delivery Point on such date because Buyer has not provided appropriate instructions, documents, licenses or authorizations: (i) the Goods shall be deemed to have been delivered; and (ii) Seller, at its option, may store the Goods until Buyer picks them up, whereupon Buyer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

3. Non-Delivery.

(a) The quantity of any instalment of Goods as recorded by Seller on dispatch from Seller's place of business is conclusive evidence of the quantity received by Buyer on delivery unless Buyer can provide conclusive evidence proving the contrary.

(b) The Seller shall not be liable for any non-delivery of Goods (even if caused by Seller's negligence) unless Buyer gives written notice to Seller of the non-delivery within 24 hours of the date when the Goods would in the ordinary course of events have been received.

(c) Any liability of Seller for non-delivery of the Goods shall be limited to replacing the Goods within a reasonable time or adjusting the invoice respecting such Goods to reflect the actual quantity delivered.

4. Quantity. If Seller delivers to Buyer a quantity of Goods of up to 5% more or less than the quantity set forth in the Sales Acknowledgement, Buyer shall not be entitled to object to or reject the Goods or any portion of them by reason of the surplus or shortfall and shall pay for such Goods the price set forth in the Sales Acknowledgement adjusted pro rata.

5. Shipping Terms. Seller shall make delivery in accordance with the terms on the face of the Sales Acknowledgement.

6. Title and Risk of Loss. Title and risk of loss passes to Buyer upon Seller's tender of the Goods to the carrier at the location from which the Goods are shipped to Buyer as set forth on the Sales Acknowledgement. As collateral security for the payment of the purchase price of the Goods, Buyer hereby grants to Seller a lien on and security interest in and to all of the right, title and interest of Buyer in, to and under the Goods, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. The security interest granted under this provision constitutes a purchase money security interest under the *Personal Property Security Act* in the province in which the Delivery Point is located.

7. Amendment and Modification. These Terms may only be amended or modified in a writing which specifically states that it amends these Terms and is signed by an authorized representative of each party.

8. Inspection and Rejection of Non-Conforming Goods Goods.

(a) Buyer shall inspect the Goods within 24 hours of receipt ("**Inspection Period**"). Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Non-Conforming Goods during the Inspection Period and furnishes such written evidence or other documentation as required by Seller, including, but not limited to, a copy of the carrier waybill clearly signed by the delivery driver and noting any Non-Conforming Goods. "**Non-Conforming Goods**" means only the following: (i) product shipped is different than identified in Buyer's purchase order, or (ii) product's label or packaging incorrectly identifies its contents.

(b) If Buyer timely notifies Seller of any Non-Conforming Goods, Seller shall, in its sole discretion, (i) replace such Non-Conforming Goods with conforming Goods, or (ii) credit or refund the Price for such Non-Conforming Goods, together with any reasonable shipping and handling expenses incurred by Buyer in connection therewith. Buyer shall ship the Non-Conforming Goods back to the Delivery Point. If Seller exercises its option to replace Non-Conforming Goods, Seller shall, after receiving Buyer's shipment of Non-Conforming Goods, ship to Buyer the replaced Goods to the Delivery Point.

(c) Buyer acknowledges and agrees that the remedies set forth in Section 8(b) are Buyer's exclusive remedies for the delivery of Non-Conforming Goods.

9. Price and Payment Terms. Buyer shall purchase the Goods from Seller at the price(s) (“Price”) and upon the payment terms as set forth in the Sales Acknowledgment and applicable invoice issued from Seller to Buyer.

10. Warranty.

(a) SELLER DOES NOT MANUFACTURE OR CONTROL MANUFACTURE OF ANY OF THE GOODS. ACCORDINGLY, SELLER DOES NOT PROVIDE ANY CONDITIONS OR WARRANTIES WITH RESPECT TO THE GOODS. HOWEVER, THE GOODS MAY BE COVERED BY THE MANUFACTURER’S WARRANTY AS DETAILED IN LITERATURE INCLUDED WITH THE GOODS. TO OBTAIN WARRANTY SERVICE FOR DEFECTIVE GOODS, PLEASE FOLLOW THE INSTRUCTIONS INCLUDED IN THE MANUFACTURER’S WARRANTY. WE DO NOT WARRANT THE ACCURACY OF ANY OF THE INFORMATION PROVIDED BY THE MANUFACTURER NOR ON THE LABELS ON GOODS DELIVERED. IT IS THE MANUFACTURER’S RESPONSIBILITY TO ENSURE THAT THE INFORMATION IS CORRECT.

(b) WE RECOMMEND THAT YOU READ THE LABELS ON GOODS SUPPLIED CAREFULLY BEFORE THEY ARE USED.

(c) SELLER MAKES NO CONDITION OR WARRANTY WHATSOEVER WITH RESPECT TO THE GOODS, INCLUDING ANY (a) CONDITION OR WARRANTY OF MERCHANTABILITY; OR (b) CONDITION OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WHETHER EXPRESSED OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE; OR RESULTS OR OUTCOMES FROM USE OF GOODS.

(d) BUYER AFFIRMS THAT SELLER SHALL NOT BE LIABLE, UNDER ANY CIRCUMSTANCES, FOR ANY BREACH OF WARRANTY OR CONDITION CLAIMS OR FOR ANY DAMAGES ARISING OUT OF THE MANUFACTURER’S FAILURE TO HONOUR ITS WARRANTY OBLIGATIONS TO BUYER, OR FOR ANY USE OF GOODS BY BUYER.

11. Limitation of Liability.

(a) IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THESE TERMS, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE BY BUYER OR COULD HAVE BEEN REASONABLY FORESEEN BY BUYER, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

(b) IN NO EVENT SHALL SELLER’S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL AMOUNT PAID TO SELLER FOR THE GOODS SOLD PURSUANT TO THIS AGREEMENT IN THE SIX (6) MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM.

12. Returns. Seller may accept returns at its sole discretion. A return authorization must be obtained from Seller prior to sending any unused Goods back to Seller. Discontinued, promotional, direct ship and special order items may not be considered for return. Freight for returns to Seller’s warehouse location must be prepaid by the Buyer. Unused Goods accepted by Seller for return must be in original condition, unopened and unused in resalable condition in the original packaging with

no markings on the boxes or products. Accepted returns are subject to restocking fees as follows: (i) 15% of the Price of the Goods up to 2 months from original invoice date; and (ii) 20% of the Price of the Goods between 2 months - 6 months from original invoice date. Acceptance of any returns beyond 6 months of the original invoice date and any corresponding restocking fees are at the sole discretion of Seller.

13. Termination. In addition to any remedies that may be provided under these Terms, Seller may terminate this Agreement with immediate effect upon written notice to Buyer, if Buyer: (i) fails to pay any amount when due under this Agreement [and such failure continues for 5 days after Buyer's receipt of written notice of non-payment]; (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or (iii) 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.

14. Waiver. No waiver by Seller of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by an authorized representative of Seller. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

15. Confidential Information. All non-public, confidential or proprietary information of Seller, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts or rebates, disclosed by Seller to Buyer, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" in connection with this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by Seller in writing. Upon Seller's request, Buyer shall promptly return all documents and other materials received from Seller. Seller shall be entitled to injunctive relief for any violation of this Section. This Section does not apply to information that is: (a) in the public domain; (b) known to Buyer at the time of disclosure; or (c) rightfully obtained by Buyer on a non-confidential basis from a third party.

16. Force Majeure. The Seller shall not be liable or responsible to Buyer, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement when and to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of Seller including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, national emergency, revolution, insurrection, epidemic, lockouts, strikes or other labour disputes (whether or not relating to either party's workforce), or restraints or delays affecting carriers or inability or delay in obtaining supplies of adequate or suitable materials, materials or telecommunication breakdown or power outage.

17. Assignment. Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. Any purported assignment or delegation in violation of this Section is null and void. No assignment or delegation relieves Buyer of any of its obligations under this Agreement.

18. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship

between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

19. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

20. Governing Law. All matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein without giving effect to any choice or conflict of law provision or rule (whether of the Province of Nova Scotia or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the Province of Nova Scotia. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement.

21. Choice of Forum. Any legal suit, action, litigation or proceeding of any kind whatsoever in any way arising out of, from or relating to this Agreement, including all exhibits, schedules, attachments, and appendices attached to this Agreement, and all contemplated transactions, shall be instituted in the courts of Nova Scotia, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, litigation or proceeding. Service of process, summons, notice, or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action, litigation or other proceeding brought in any such court. Each party agrees that a final judgment in any such suit, action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

22. 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 Sales Acknowledgement or to such other address that may be designated by the receiving party in writing. Notices sent in accordance with this Section will be deemed effectively given: (a) when received, if delivered by hand, with signed confirmation of receipt; (b) when received, if sent by a nationally recognized overnight courier, signature required; (c) when sent, if by facsimile or email (in each case, with confirmation of transmission) if sent during the addressee's normal business hours, and on the next business day if sent after the addressee's normal business hours; and (d) on the fifth day after the date mailed by certified or registered mail by the Canada Post Corporation, return receipt requested, postage prepaid.

23. Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

24. Survival. Provisions of these Terms which by their nature should apply beyond their terms will remain in force after any termination or expiration of this Order including, but not limited to, the following provisions: Confidential Information, Governing Law, Choice of Forum and Survival.