

MAPLE LEAF FOODS INC.

- and -

CANADA PACKERS INC.

SUPPLY AGREEMENT

July 28, 2025

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SUPPLY AGREEMENT

THIS AGREEMENT made as of July 28, 2025.

B E T W E E N:

MAPLE LEAF FOODS INC.

(the “**MFI**”)

- and -

CANADA PACKERS INC.

(the “**Supplier**”)

RECITALS:

A. This Agreement is delivered in connection with a separation agreement (“**Separation Agreement**”) dated as of the date hereof between MFI and Supplier pursuant to which Supplier and MFI agreed to separate.

NOW THEREFORE, in consideration of the premises and mutual agreements and covenants herein contained, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.01 Definitions

The following terms, as used in this Agreement, shall have the following meanings:

“**Affiliate**” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate; a Person is deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term “controlled” has a corresponding meaning;

“**Acceptance**” has the meaning given in Section 11.05(c)(iv);

“**Acceptance Date**” has the meaning given in Section 11.05(c)(iii);

“**Agreement**” means this supply agreement and all schedules, exhibits and all instruments supplemental hereto or in amendment or confirmation hereof; “hereof”, “hereto” and “hereunder” and similar expressions mean and refer to this Agreement and not to any particular Section or portion of this Agreement;

“Annual Grid (RWA)” means the annual grid used by the Parties to determine the RWA Upcharge and the Margin. For the Stub Period, the Annual Grid (RWA) is attached hereto as Schedule D, and thereafter, the Annual Grid (RWA) shall be agreed in accordance with Section 2.03(a);

“Annual Hog Forecast” has the meaning given in Section 2.01(d);

“Annual Shunting Costs” has the meaning given in Section 6.07(a);

“Annual SKU Forecast” has the meaning given in Section 2.02(a);

“Applicable Law” means, with respect to any Person, property, transaction, event or other matter, any law, ordinance, rule, statute, by-law, regulation, order, judgment, decree, treaty, code, standard or other requirement having the force of law (collectively the **“Law”**) relating or applicable to such Person, property, transaction, event or other matter; Applicable Law also includes, where appropriate, any interpretation of the Law (or any part) by any Person having jurisdiction over it, or charged with its administration or interpretation;

“Appraiser” has the meaning given in Section 7.06(c);

“Barns” means the barns owned or operated by Supplier to raise Special Hogs or Conventional Hogs to supply Pork under this Agreement;

“Business Day” means any day except Saturday, Sunday or any day on which banks are generally not open for business in the City of Toronto, Ontario;

“Byproducts” means trims, shanks, fat and bones, along with other inedible materials that are byproducts from the ham boning process;

“Closing” has the meaning given in Section 7.06(k);

“Confidential Information” means confidential, proprietary, or non-public information of MFI or provided by MFI;

“Contract Year” means each 12-month period following the date of this Agreement;

“Conventional Hogs” means hogs means the hogs grown, caused to be grown or acquired by Supplier that satisfy the “Conventional Hog” specifications identified in the applicable Specifications;

“Conventional Pork” means pork produced from Conventional Hogs;

“Credit Agreement” means the credit agreement entered into between Supplier, as borrower, Bank of Montreal, as administrative agent, and the other parties thereto, including any related notes, debentures, pledges, guarantees, security documents, instruments and agreements executed from time to time in connection therewith, in each case as amended, modified, restated, renewed, replaced or refinanced from time to time;

“Current Value” means, in respect of the Purchased Assets, the most probable price in terms of money that the Purchased Assets would bring in an open and competitive market

at the time of the determination, allowing for a reasonable period of time to find a buyer, under conditions requisite to a fair and equitable sale between a willing seller and a willing buyer, having full and complete information with respect to the Purchased Assets and having regard to all relevant factors including the terms and conditions of this Agreement and to the terms of all agreements creating obligations to which the Purchased Assets are then subject;

“Deboning” means the deboning services provided by MFI at the Lagimodière facility on the bone-in hams delivered by Supplier to MFI, the results of which are boneless hams and associated Byproducts (based on actual yields), portions of each of which are to be delivered by MFI to Supplier in the specified volumes taking into account the applicable SKU forecasts and Purchase Orders described in Section 2.02;

“Dispute” has the meaning given to such term in Section 10.03;

“Effective Date” means the date hereof;

“Excess RWA Pork” means RWA Pork and any SKUs thereof that (i) are not purchased by MFI or (ii) are purchased by MFI but sold back to Supplier (including for clarity any RWA Pork included in any Weekly Sales Order);

“Excess OPG Pork” means OPG Pork and any SKUs thereof that (i) are not purchased by MFI or (ii) are purchased by MFI but sold back to Supplier (including for clarity any OPG Pork included in any Weekly Sales Order);

“Excluded Customers” means MFI and the customers identified in Schedule C as may be updated by the Parties from time to time;

“Exercise Notice” has the meaning given in Section 7.06(b);

“Exercise Period” has the meaning given in Section 7.06(b);

“Facilities” means the Lethbridge, Alberta facility, the Winnipeg, Manitoba (Paquin Road) facility and the Brandon, Manitoba facility, and **“Facility”** means any one of them;

“Field of Use” means the operation of the Facilities and Barns, including the raising of Hogs and the production and sale of Pork;

“Five-Year Hog Forecast” means the five-year forecast setting out MFI’s expected Hog volume requirements by period and by type of Hog;

“Forecast Kilograms” has the meaning given in Section 6.07;

“Hogs” means, collectively, Conventional Hogs and Special Hogs;

“including” means including, without limitation and the terms “include” and “includes” shall have similar meanings;

“Indemnified Party” has the meaning given in Section 8.03;

“Indemnifying Party” has the meaning given in Section 8.03;

“Inflation Adjustment Factor” means [*Redacted – Commercially Sensitive Information*];

“Losses” means any loss, liability, tax, claim, interest, fine, penalty, damage, demand, judgment, cost or expense, including reasonable legal, consulting or other professional fees and expenses, in each case whether or not involving a Third Party Claim;

“Margin” has the meaning given in Section 2.03(a);

“Market Disruption Event” has the meaning given in Section 9.03;

“Material Adverse Event” has the meaning given in Section 9.04(a);

“MFI” means Maple Leaf Foods Inc. and its successors and assigns;

“MFI Intellectual Property” means the intellectual property owned by MFI and listed in Schedule E and the Trademarks;

“MFI Practice” means, in respect of the applicable matter, the practice and/or standards used, employed or adopted by MFI and/or its Affiliates in connection with such matter as part of the operation of the Facilities or Barns at the time of the execution of the Separation Agreement by the parties thereto, as may be updated from time to time by MFI in accordance with best practices;

“Modification” has the meaning given in Section 4.05;

“Necessary Consents and Approvals” means all approvals required under Applicable Law for the subject transaction and third party consents required under the Credit Agreement or other material agreements;

“Non-Conforming Deliverables” has the meaning given in Section 5.06(a);

“North American Key Accounts” means [*Redacted – Commercially Sensitive Information*];

“Offer to Sell” has the meaning given in Section 11.05(c)(ii);

“OPG Hogs” means the hogs grown, caused to be grown or acquired by Supplier that satisfy the “OPG Hogs” claims identified in the applicable Specifications;

“OPG Pork” means pork produced from OPG Hogs;

“OPG Premium” means [*Redacted – Commercially Sensitive Information*];

“Party” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns; “Parties” means every Party;

“Person” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;

“Pork” means, collectively, Conventional Pork and Special Pork;

“Price” has the meaning given in Section 11.05(c)(ii);

“Prime Rate” means the rate of interest per annum quoted by the Royal Bank of Canada from time to time as its reference rate for Canadian Dollar demand loans made to its commercial customers in Canada and which it refers to as its “prime rate”, as such rate may be changed by it from time to time;

“Processing Fee” has the meaning given in Section 6.03(a)(iii);

“Purchase Order” means one or more orders for SKUs issued under this Agreement;

“Purchased Assets” has the meaning given in Section 7.06(a);

“Required Capital Costs” has the meaning given in Section 2.06;

“RWA Hogs” means RWA Hogs Elite and RWA Hogs Regular;

“RWA Hogs Elite” means the hogs grown, caused to be grown or acquired by Supplier that satisfy the “RWA Hogs Elite” specifications and claims identified in the applicable Specifications;

“RWA Hogs Regular” means the hogs grown, caused to be grown or acquired by Supplier that satisfy the “RWA Hogs Regular” specifications and claims identified in the applicable Specifications;

“RWA Pork” means RWA Pork Elite and RWA Pork Regular;

“RWA Pork Elite” means pork produced from RWA Hogs Elite;

“RWA Pork Regular” means pork produced from RWA Hogs Regular;

“RWA Upcharge” has the meaning given in Section 2.03(a);

“Separation Agreement” has the meaning given to such term in the recitals hereto;

“Service Level Expectations” means the service level expectations set out or incorporated in this Agreement or any Purchase Order;

“Shortfall” has the meaning given in Section 7.05;

“Shunting Fees” has the meaning given in Section 6.07;

“SKU” means stock keeping unit and, for clarity, includes bone-in hams;

“Special Hogs” means, collectively, RWA Hogs Elite, RWA Hogs Regular and OPG Hogs;

“Special Pork” means, collectively, RWA Pork Elite, RWA Pork Regular and OPG Pork;

“Specifications” means the specifications pursuant to which goods are required to be delivered, in accordance with: (a) MFI Practice; (b) the specifications set out in the Supplier Portal; and/or (c) incorporated in any Purchase Order, in each case as applicable;

“Standard Yields” means the yields, by primal and sub-primal, for Deboning;

“Stronger Claims” has the meaning given in Section 5.03;

“Stub Period” means the period from the Effective Date to and including December 31st, 2025;

“Stub Period Hog Forecast” has the meaning given in Section 2.01(a);

“Stub Period SKU Forecast” has the meaning given in Section 2.02(a);

“Stub Period Supplier Ham Forecast” has the meaning given in Section 2.02(a);

“Subject Pork” has the meaning given in Section 3.01;

“Subject Week” has the meaning given in Section 2.02(d);

“Supplier Annual Ham Forecast” has the meaning given in Section 2.02(b)(ii);

“Supplier Event of Default” has the meaning given in Section 7.02;

“Supplier Modification” has the meaning given in Section 4.05;

“Supplier Portal” means [*Redacted – Commercially Sensitive Information*];

“Term” has the meaning given in Section 7.01;

“Third Party Claim” has the meaning given in Section 8.04(a);

“Third Party Offer” has the meaning given in Section 11.05(c)(i);

“Third Party Offer Notice” has the meaning given in Section 11.05(c)(i);

“Trademarks” means the trademarks listed in Schedule F;

“Trigger Date” has the meaning given in Section 7.06(a);

“U.S.” means the United States of America;

“USDA” means the United States Department of Agriculture;

“Weekly Sales Order” has the meaning given in Section 2.02(d)(i); and

“Weekly SKU Commitment” has the meaning given in Section 2.02(d).

1.02 Currency

All dollar amounts referred to in this Agreement are in lawful money of Canada.

1.03 Sections and Headings

The division of this Agreement into Articles and Sections, the insertion of headings, and the provision of any table of contents are for convenience of reference only and will not affect the construction or interpretation of this Agreement.

1.04 Extended Meanings

Words importing the singular number include the plural and *vice-versa* and words importing gender include all genders.

1.05 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties respecting the subject matter hereof.

1.06 Time of Essence

Time is of the essence of this Agreement.

1.07 Schedules

The following Schedules form an integral part of this Agreement:

- Schedule A - Stub Period Hog Forecast and Stub Period SKU Forecast
- Schedule B - Pricing
- Schedule C - Excluded Customers
- Schedule D - Annual Grid (RWA)
- Schedule E - Intellectual Property
- Schedule F - Trademarks

1.08 Business Days

If any payment is required to be made pursuant to this Agreement on a day which is not a Business Day, then such payment will be made on the next Business Day.

1.09 Calculation of Interest

In calculating interest payable under this Agreement for any period of time, the first day of such period will be included and the last day of such period will be excluded.

ARTICLE 2 SUPPLY ARRANGEMENTS

2.01 Hog Forecasts

- (a) MFI's expected Hog volume requirements, by period and by type of Hog, for the Stub Period are set out in Schedule A-1 (the "**Stub Period Hog Forecast**").
- (b) MFI's expected Hog volume requirements, by period and by type of Hog, for the first five calendar years of the Term following the Stub Period shall be identified in the initial Five-Year Hog Forecast to be delivered by MFI to Supplier no later than September 30, 2025 using the template in the Supplier Portal as may be updated from time to time.
- (c) Thereafter, the Five-Year Hog Forecast shall be updated annually on a rolling basis to add the next calendar year not included in the prior year's Five-Year Hog Forecast provided that (i) the annual RWA Hog volume requirement in any calendar year not included in the initial Five-Year Hog Forecast shall not exceed the annual RWA Hog volume corresponding to the fifth year in the initial Five-Year Hog Forecast and (ii) the annual OPG Hog volume requirement in any calendar year not included in the initial Five-Year Hog Forecast shall not exceed the annual OPG Hog volume corresponding to the fifth year in the initial Five-Year Hog Forecast, in each case subject to Section 2.06. Prior to September 30th of a given year, MFI shall deliver to Supplier the updated Five-Year Hog Forecast for the following five years. By way of illustration, prior to September 30, 2026, MFI shall deliver to Supplier a Five-Year Hog Forecast for years 2027 to 2031 inclusive.
- (d) On or prior to September 30th of each year, MFI shall deliver to Supplier, the annual forecast with its expected annual Hog volume requirements, by period and by type of Hog, for the upcoming year (each an "**Annual Hog Forecast**").
- (e) Supplier will agree to raise, or caused to be raised, the number of Hogs specified in the Stub Year Hog Forecast and each Annual Hog Forecast.
- (f) Unless otherwise agreed by the Parties, each acting on a commercially reasonable basis, subject to Section 2.06, in no event shall (i) the number of RWA Hogs in any Annual Hog Forecast exceed the maximum number of RWA Hogs identified for such year in the Five-Year Hog Forecast or (ii) the number of OPG Hogs in any Annual Hog Forecast exceed the maximum number of OPG Hogs identified for such year in the Five-Year Hog Forecast.

2.02 Volume Commitments (SKUs)

- (a) For the Stub Period, MFI will deliver to Supplier a SKU forecast broken down by week and including the split by SKU and between Special Pork (allocated amongst RWA Hog Elite, RWA Hog Regular and OPG Hog) and Conventional Pork (the "**Stub Period SKU Forecast**") which Stub Period SKU Forecast shall be consistent with the Stub Period Hog Forecast and attached hereto as Schedule A-2, provided that Supplier shall be entitled to retain [*Redacted – Commercially Sensitive Information*] bone-in hams from its weekly Hog production (prorated for abbreviated weeks) during the Stub Period and, on the Effective Date, shall

provide MFI with a forecast for such hams, which will be sent to MFI for Deboning, broken down (A) by SKU and (B) by week (prorated for abbreviated weeks) (the “**Stub Period Supplier Ham Forecast**”).

- (b) *[Redacted – Commercially Sensitive Information]*.
- (c) MFI shall deliver *[Redacted – Commercially Sensitive Information]* updates to the Stub Period SKU Forecast and each Annual SKU Forecast to Supplier reasonably promptly after each *[Redacted – Commercially Sensitive Information]*, and Supplier shall deliver *[Redacted – Commercially Sensitive Information]* updates to the Stub Period Supplier Ham Forecast and each Supplier Annual Ham Forecast to MFI reasonably promptly after each *[Redacted – Commercially Sensitive Information]*.
- (d) In respect of each week during the Term (each a “**Subject Week**”), MFI will place its order for the Subject Week *[Redacted – Commercially Sensitive Information]* weeks in advance (each a “**Weekly SKU Commitment**”). Specifically, subject to confirming with Supplier the number of bone-in hams to be delivered to MFI for Deboning, MFI will, within *[Redacted – Commercially Sensitive Information]* weeks in advance of the Subject Week, issue to Supplier:
 - (i) a sales order for (A) the number of boneless hams resulting from Deboning, (B) Byproducts from such boneless hams and (C) Byproducts from the bone-in hams purchased and retained by MFI to the extent that MFI, in its discretion, wishes to sell such Byproducts to Supplier (the “**Weekly Sales Order**”); and
 - (ii) Purchase Order(s) for its Weekly SKU Commitment plus such number of bone-in hams to fulfill the applicable component of the Weekly Sales Order.
- (e) Supplier will agree to supply to MFI, and MFI will agree to purchase from Supplier, the SKU volumes in the Purchase Order(s), and MFI will agree to deliver to Supplier, and Supplier will agree to purchase from MFI, the number of boneless hams and Byproducts set out in the Weekly Sales Order, provided however that:
 - (i) Supplier will use commercially reasonable efforts to accommodate changes to a Weekly SKU Commitment that may be requested by MFI from time to time (e.g., due to changes in MFI customer requirements); and
 - (ii) unless otherwise agreed by the Parties, each acting on a commercially reasonable basis, in no event shall MFI’s aggregate annual Conventional Pork volume requirements exceed those identified in Schedule D attached hereto.

2.03 RWA Upcharge and Margin

- (a) In respect of the RWA Hogs raised in accordance with an Annual Hog Forecast, MFI will pay the upcharge set out in the applicable Annual Grid (RWA) (the “**RWA Upcharge**”) to account for the incremental cost of raising an RWA Hog, plus the per RWA Hog margin set out in such Annual Grid (RWA) (the “**Margin**”). The

Annual Grid (RWA) will be updated each year, on or prior to September 30th preceding the applicable calendar year, in accordance with the following principles:

- (i) [Redacted – Commercially Sensitive Information];
 - (ii) [Redacted – Commercially Sensitive Information];
 - (iii) [Redacted – Commercially Sensitive Information];
 - (iv) [Redacted – Commercially Sensitive Information];
 - (v) [Redacted – Commercially Sensitive Information];
 - (vi) [Redacted – Commercially Sensitive Information];
 - (vii) [Redacted – Commercially Sensitive Information]; and
 - (viii) subject to Section 2.03(a)(v)(B), if any other component of the incremental costs becomes an industry requirement, such component's cost will be removed from the RWA Upcharge. If "RWA" becomes an industry requirement, the RWA Upcharge will be reduced to nil.
- (b) The RWA Upcharge and Margin shall be invoiced by Supplier upon delivery of the RWA Hog to the applicable Facility, and shall be paid by MFI [Redacted – Commercially Sensitive Information] days following receipt of the invoice therefor. At the end of each calendar month, MFI will conduct a true-up to confirm whether all SKUs corresponding to each RWA Hog so delivered in such month have also been delivered in accordance with the instructions specified therefor in the applicable Purchase Order.
- (c) On a [Redacted – Commercially Sensitive Information] basis, Supplier shall proactively explore and implement measures to achieve cost savings against the RWA Upcharge. Upon request by MFI, Supplier shall submit a report to MFI that details the measures explored by Supplier (and why they were or were not implemented) and any cost savings (including reasoning therefor) which have been achieved by Supplier against the RWA Upcharge.

2.04 OPG Premium

- (a) In respect of each OPG Hog raised in accordance with an Annual Hog Forecast, MFI will pay the OPG Premium.
- (b) The OPG Premium shall be invoiced by Supplier upon delivery of the OPG Hog to the applicable Facility, and shall be paid by MFI [Redacted – Commercially Sensitive Information] days following receipt of the invoice therefor. At the end of each calendar month, MFI will conduct a true-up to confirm whether all SKUs corresponding to each OPG Hog so delivered in such month have also been delivered in accordance with the instructions specified therefor in the applicable Purchase Order.

2.05 [Redacted – Commercially Sensitive Information]

[Redacted – Commercially Sensitive Information]

2.06 Capital Costs

Supplier shall ensure that it has the necessary infrastructure and equipment to deliver the number of RWA Hogs specified in any Annual Hog Forecast. Supplier acknowledges that the Facilities may from time to time require additional infrastructure and equipment in order to satisfy the Five-Year Hog Forecast, and agrees that Supplier is solely responsible for any capital investment that would be required for such additional infrastructure and equipment (and accordingly, that Supplier shall not be entitled to any reimbursement therefor from MFI). In the event that (i) the number of RWA Hogs in an Annual Hog Forecast exceeds the number of RWA Hogs identified for such year in the Five-Year Hog Forecast, or (ii) the annual RWA Hog volume requirement in any calendar year not addressed in the initial Five-Year Hog Forecast exceeds the number specified in Section 2.01(c), and in each case the fulfillment of such excess necessitates a capital investment by Supplier to increase its RWA Hog capacity, MFI and Supplier shall agree on the capital investment required (the “**Required Capital Costs**”) and MFI shall reimburse Supplier for its pre-agreed portion of the Required Capital Costs.

2.07 Delivery, Transfer of Title and Risk of Loss (Deliveries to MFI)

- (a) For clarity, this Section 2.07 shall apply only to the delivery of Pork (and corresponding transfer of title and risk of loss) from Supplier to MFI, including bone-in hams delivered to MFI for Deboning. The delivery of boneless hams and Byproducts (and corresponding transfer of title and risk of loss) from MFI to Supplier will be in accordance with Section 2.08.
- (b) Supplier shall, at its own risk, pack and ship any goods in accordance with MFI's instructions, good commercial practice, and all Applicable Law, so as to ensure that no damage results from weather or transportation and Supplier shall unless otherwise specified by MFI in a Purchase Order, deliver goods at the specified delivery location, with a delivery slip referencing the applicable Purchase Order number in accordance with Incoterms DDP based on Incoterms 2010 published by the International Chamber of Commerce publication number 720E, ISBN 978-92-842-0082-5.
- (c) Supplier shall bear the responsibility for all preparation, bagging, crating, dunnage, skids and containers in respect of goods supplied. Unless the relevant Purchase Order otherwise specifies, all goods shall be stacked, palletized and shipped in accordance with the pallet specifications and shipping instructions. [Redacted – Commercially Sensitive Information]. Supplier will be responsible for all costs associated with needed re-palletization and transport back to Supplier's warehouse/origin. All goods must be stacked properly onto the pallets in layers with absolutely no overhang and no overlapping bags. All pallets must have all layers fully shrink-wrapped. All skids must be marked clearly with the destination name. Supplier's name must be declared on the skids for identification purposes.
- (d) Goods may be accepted by MFI when the “acceptance criteria” incorporated in the applicable Purchase Order have been met. Payment by MFI does not constitute final acceptance.

- (e) Title to goods will transfer at the delivery location specified in the applicable Purchase Order after inspection, receipt and acknowledgement, in accordance with the Incoterms DDP. Notwithstanding the foregoing, transfer of title does not constitute acceptance by MFI of any goods, it being acknowledged by Supplier that goods are subject to inspection, and potential rejection by MFI subsequent to transfer of title for failure to comply with this Agreement.
- (f) Risk of loss or damage to goods shall remain with Supplier until delivered to MFI in accordance with Incoterms DDP. Supplier shall insure all goods until risk of loss has transferred to MFI and shall assume full responsibility for, and indemnify and hold MFI harmless from and against, any loss or damage to goods in the care, custody or control of Supplier, including carriers engaged by Supplier.

2.08 Delivery, Transfer of Title and Risk of Loss (Deliveries to Supplier)

- (a) Subject to Section 2.08(c), MFI shall pack and ship any goods in accordance with good commercial practice, and all Applicable Law, so as to ensure that no damage results from weather or transportation, and MFI shall deliver the boneless hams and Byproducts following Deboning in accordance with Incoterms FOB to the loading dock at the Lagimodière Distribution Center.
- (b) Title to goods will transfer at the loading dock at the Lagimodière Distribution Center, in accordance with Incoterms FOB.
- (c) Risk of loss or damage to goods shall remain with MFI until delivered to Supplier in accordance with Incoterms FOB.
- (d) At any time, Supplier shall be entitled to direct all or any portion of Byproducts following Deboning to be delivered to rendering. Supplier shall communicate such direction in respect of the applicable Byproducts prior to MFI's issuance of any Weekly Sales Order and if the communication is made after of the issuance of the applicable Weekly Sales Order, MFI shall use reasonable commercial efforts to accommodate the request.

ARTICLE 3 OTHER SERVICES

3.01 MFI as Broker

Supplier hereby appoints MFI as its exclusive broker and agent for Pork made available for sale by Supplier to any North American Key Accounts (the "**Subject Pork**"). MFI's services in such capacity include:

- (a) supporting Supplier vis-à-vis North American Key Accounts in accordance with and subject to all Applicable Law;
- (b) appointing suitably qualified personnel to support the sale and marketing of the Subject Pork in accordance with mutually agreed plans;
- (c) obtaining and maintaining in effect all permits and licenses necessary for MFI to perform such services;

- (d) maintaining effective relationships with North American Key Accounts;
- (e) meeting and communicating with representatives of Supplier at such times, locations and frequencies as Supplier may reasonably request; and
- (f) to the extent MFI becomes aware of such activities, promptly providing Supplier with information related to any legal or regulatory claims, complaints, proceedings or investigations relating to the North American Key Accounts.

3.02 Shunting Services

MFI shall shunt, or cause to be shunted, the boneless hams and Byproducts delivered pursuant to Section 2.08 to the third party storage location located at [*Redacted – Commercially Sensitive Information*], or such other location mutually agreed to in writing by the Parties. MFI will proactively pursue opportunities to achieve cost savings in respect of the shunting services.

3.03 Quality of Services

MFI shall perform the services described in Article 3 in accordance with all Applicable Law and in a professional manner. Without limiting the foregoing, MFI shall maintain all permits, certificates and licences necessary or desirable for the proper conduct of such services. MFI shall provide a level of protection for any personal information received from Supplier that meets the requirements of the Personal Information Protection and Electronic Documents Act and any other applicable privacy legislation, and is otherwise consistent with best industry practice.

ARTICLE 4 MFI INTELLECTUAL PROPERTY

4.01 Grant

Subject to the provisions of this Agreement, for the Term, MFI hereby grants to Supplier, and Supplier hereby accepts, a personal, limited, non-transferrable, non-sublicensable, royalty bearing, non-exclusive license to use the MFI Intellectual Property in the Field of Use pursuant to the terms of this Agreement solely within the respective jurisdictions and for the international classes identified in Schedule E and Schedule F. Nothing herein shall preclude MFI from the right to use the MFI Intellectual Property. For greater certainty, Supplier acknowledges that certain trademarks included in the MFI Intellectual Property may be common law (unregistered) trademarks that have not been searched or registered in any jurisdiction. MFI makes no representation or warranty as to the registrability, enforceability, or freedom to operate with respect to such trademarks, and Supplier accepts the license to use such trademarks on an “as is” basis.

4.02 No Sublicense

Supplier shall not grant any sublicense in respect of the rights licensed to it under this Agreement to any Person except as is specifically permitted pursuant to this Agreement, without the prior express written consent of MFI, which consent may be granted or withheld at MFI's discretion. Any sublicense purported to be granted by Supplier without MFI's consent shall be null and void. Notwithstanding the foregoing, Supplier may provide a sub-license for any “know-how” included in the MFI Intellectual Property to hog growers and other suppliers to Supplier solely for the purposes of such suppliers raising Hogs in accordance with this Agreement. Such sublicense

shall be on no more favourable terms than the license granted to Supplier herein, shall not in any circumstance include any trademarks or other indicia of MFI, and does not include any right to further sub-license such "know-how".

4.03 Failure to Comply

In the event that Supplier (or any approved sub-licensee where permitted) is not maintaining MFI's standards, is not using the MFI Intellectual Property in compliance with the terms and conditions of this Agreement, or is not taking measures to maintain the confidentiality of Confidential Information, MFI may so advise Supplier in writing and Supplier, at Supplier's sole cost and expense, shall promptly take all steps necessary to be (or for its approved sub-licensee to be) in compliance with the terms of this Agreement.

4.04 Ownership and Use

Supplier acknowledges and agrees that:

- (a) MFI is the exclusive owner of the MFI Intellectual Property and all existing and hereinafter created goodwill associated with the Trademarks. Supplier shall not use or permit the use of the MFI Intellectual Property except in accordance with this Agreement and shall not at any time do or cause to be done any act or thing in any way impairing or tending to impair any part of MFI's right, title and interest, and goodwill, therein;
- (b) all rights are expressly reserved by MFI except for the limited license expressly granted hereunder in respect of the MFI Intellectual Property;
- (c) any unauthorized use of the MFI Intellectual Property, or disclosure of Confidential Information, by Supplier (or its sub-licensees) is and shall be deemed an infringement of MFI's rights and a material breach of this Agreement;
- (d) without limiting the generality of this Agreement, Supplier and any Affiliate thereof, shall not, in any manner, directly or indirectly, use the Trademarks as a corporate name, trade name or on any signage; and
- (e) except as expressly provided in this Agreement, Supplier acquires no right, title or interest in the MFI Intellectual Property and Supplier shall not in any manner represent that it has any ownership therein.

4.05 Modifications

- (a) As between the Parties, MFI owns any creation, invention, improvement, enhancement, modification or derivative work arising in connection with this Agreement, including based on any of the MFI Intellectual Property, made by or on behalf of Supplier or MFI (each a "**Modification**"). Supplier shall immediately notify MFI of any Modification made by or on behalf of Supplier (each a "**Supplier Modification**"). Supplier agrees to assign, and does hereby assign, to MFI all of its right, title, and interest in and to all Supplier Modifications, and waives, and shall obtain waivers of, all moral rights relating thereto. Such assignment includes all rights to apply for any intellectual property registrations with respect to such Supplier Modifications and all enforcement rights and remedies for past, present,

and future infringement thereof and all rights to collect royalties and damages therefor. All intellectual property applications and applications for registration filed by MFI with respect to any such Supplier Modification and all registrations issuing therefrom shall automatically be included in the MFI Intellectual Property and subject to the licence granted to Supplier herein. At the request of MFI, Supplier shall promptly execute, obtain, and deliver such assignments, waivers, documents, and other instruments, deemed necessary or desirable by MFI to effect and perfect the foregoing assignment of rights. For the avoidance of doubt, no Trademarks (or any other indicia of MFI) may be modified by Supplier in any manner without the express written consent of MFI.

- (b) Any intellectual property created by Supplier independently of this Agreement and which is not otherwise a modification, improvement or derivative work of the MFI Intellectual Property, shall be owned by Supplier. To the extent such intellectual property is required by or otherwise beneficial to MFI for the purposes of this Agreement, Supplier hereby grants to MFI a limited, royalty-free, fully paid up, non-exclusive license to use such intellectual property for such purposes.

4.06 Supplier's Covenants

Supplier shall:

- (a) not dispute or contest for any reason whatsoever, directly or indirectly, during or after the termination of this Agreement, the validity, ownership or enforceability of the MFI Intellectual Property, nor directly or indirectly attempt to dilute the value of the goodwill attached to the Trademarks contained therein, nor counsel, procure or assist anyone to do any of the foregoing, nor adopt or use, without MFI's prior written consent, any word or mark which is likely to be confusingly similar to or a colourable imitation of the Trademarks;
- (b) not, without the prior written consent of MFI, use or permit the use of any word or symbol or combination thereof or any other trademark, which term shall for the purposes of this clause include business, trade, corporate, partnership or other name or symbol, or combinations thereof, in association with the Trademarks such that the use could result in a loss of distinctiveness of any of the Trademarks. Supplier acknowledges that improper use of the Trademarks in association with other trademarks could jeopardize the distinctiveness of both the Trademarks and such other trademarks and agrees that it shall submit samples of all proposed associations of the Trademarks with other trademarks and trade names to MFI for its prior review and approval; and
- (c) observe such requirements with respect to trademark notices and other forms of marking as may be reasonably required by MFI from time to time and to indicate when using the Trademarks that they are owned by MFI and are being used by Supplier with the permission of MFI pursuant to a written license agreement. At a minimum, Supplier shall affix on any materials which accompany the products supplied under this Agreement (as applicable), or on any advertising or other materials associated with Supplier's exercise of rights under this Agreement, and in which reference is otherwise made to the Trademarks, a readable notice in a form agreed upon by MFI specifying substantially the following:

“The trademark [Trademark] is a registered (if applicable) trademark of Maple Leaf Foods Inc. and Canada Packers Inc. is a licensed user of the trademark.”

Supplier undertakes to strictly comply with Applicable Law pertaining to trademarks and marking requirements in force from time to time.

4.07 Trademark Quality Control

In addition to the obligations under Article 5, Supplier:

- (a) acknowledges and is familiar with the high standards and reputation for quality in accordance with any and all MFI Practices symbolized by the Trademarks included in the MFI Intellectual Property as of the Effective Date, and Supplier shall conduct the business in the Field of Use and use the Trademarks in a manner at least consistent with such quality standards and reputation. Supplier shall comply with MFI's guidelines and specifications regarding the style, appearance, and usage of the Trademarks, and with MFI's substantiation standards (where applicable), all as will be provided to Supplier from time to time. In the absence of any such guidelines, specifications or substantiation standards being provided, Supplier shall adhere to standards of quality no less than provided in accordance with MFI Practice. MFI may modify such guidelines, standards and substantiation standards in its discretion from time to time;
- (b) acknowledges that MFI may exercise quality control over all uses of the Trademarks under this Agreement to maintain the validity of the Trademarks and protect the goodwill associated therewith. For the purpose of monitoring Supplier's compliance with MFI's quality standards and the other requirements, at MFI's reasonable request and at Supplier's expense, (i) MFI (or its representative) may inspect Supplier's facilities, on reasonable notice and during normal business hours; and (ii) Supplier shall submit to MFI a representative sample of any use of the Trademarks and any associated products, including Pork, by Supplier for MFI's review and approval;
- (c) shall submit samples of all proposed uses of the Trademarks for MFI's pre-approval; and
- (d) acknowledges that approval of any use by Supplier of the Trademarks, once given by MFI, will continue in effect, without need for future approval, so long as Supplier's use of the Trademarks continues to be substantially consistent with such previously approved use.

4.08 Maintenance

Supplier shall (at MFI's pre-approved cost, save as provided herein) take any reasonable action that is requested by MFI, including the provision of documents, information and evidence, in order to maintain the registration, distinctiveness, enforceability, and validity of the Trademarks or other MFI Intellectual Property.

4.09 Enforcement

Supplier shall promptly give written notice to MFI of any act, threatened or actual, of infringement, passing-off or unauthorized use of any of the Trademarks or unauthorized disclosure of the MFI Intellectual Property which comes to its attention. MFI may take any action in its own name and at its expense to prevent or enjoin any such act, but shall have no obligation to take any action. Supplier shall cooperate fully in any such action, at MFI's expense, but shall have no right to take any independent action. MFI may settle any dispute relating to the use of the Trademarks or other MFI Intellectual Property without notice or compensation to Supplier, and shall retain the proceeds of any settlement or proceeding. In the event that MFI chooses not to enforce its rights in the Trademarks or other MFI Intellectual Property, MFI shall notify Supplier of such decision in writing, at which point Supplier may opt to enforce such rights at the expense of Supplier. Supplier hereby waives any rights that it may have pursuant to Section 50(3) of the *Trademarks Act (Canada)*.

4.10 Defence

If any Third Party Claim is commenced by any Person against Supplier arising out of its use of the Trademarks or other MFI Intellectual Property, Supplier shall promptly provide written notice of such to MFI. MFI shall, in its discretion, be entitled to defend or take steps to settle any such claim, action or proceeding, but shall have no obligation to do so. Supplier shall, at its own cost and expense, fully cooperate with and assist MFI, provide any evidence and available information to MFI, execute such documents and do such acts and things as in the opinion of MFI, acting reasonably, may be necessary. If MFI chooses not to defend such claim, action or proceeding, Supplier may do so at its own expense.

4.11 Confidentiality

Supplier acknowledges that in connection with this Agreement it will gain access to, and keep confidential, certain Confidential Information. Without limiting the foregoing, for purposes of this Agreement, all trade secrets and confidential information included in the MFI Intellectual Property, and other non-public information relating to MFI, MFI Intellectual Property, the Field of Use, Hogs, Pork, the Facilities and Barns, and MFI know-how, practices, methods and procedures, will be deemed Confidential Information of MFI. Supplier shall maintain the Confidential Information in strict confidence and not disclose any Confidential Information to any other Person, except to its employees, and third parties authorized in writing by MFI, who (a) have a need to know such Confidential Information for Supplier to exercise its rights or perform its obligations hereunder; and (b) are bound by written nondisclosure agreements at least as restrictive as the provisions of this Agreement. Supplier shall use reasonable care, at least as protective as the efforts it uses with respect to its own confidential information, and no less than a commercially reasonable standard, to safeguard the Confidential Information from use or disclosure other than as permitted hereby. This provision shall survive the termination or expiration of this Agreement.

4.12 Supplier's Obligations on Termination (Intellectual Property)

Upon the termination of this Agreement or its rights to use the MFI Intellectual Property hereunder for any reason whatsoever, Supplier shall, without limiting any other rights of MFI hereunder or otherwise existing at Law, promptly:

- (a) cease to use, directly or indirectly, in any manner whatsoever the MFI Intellectual Property, including any trademarks or any name or mark similar to the Trademarks, whether on wares or services or documents, advertising, or otherwise;
- (b) remove the Trademarks from all products, and at MFI's option and at Supplier's expense, either deliver up to MFI or its duly authorized representatives, or destroy under oath, all material in its possession, custody or control, upon which the Trademarks appear or that otherwise contain any MFI Intellectual Property;
- (c) refrain from stating or implying that Supplier is authorized to sell the products supplied under this Agreement in association with the Trademarks or any of the MFI Intellectual Property; and
- (d) pay the pro rata share of any royalty or other amounts owed to MFI.

ARTICLE 5 QUALITY ASSURANCE AND AUDIT RIGHTS

5.01 Quality and Warranty - Supplier

Supplier represents, warrants and covenants that:

- (a) all SKUs delivered hereunder shall conform to the applicable Specifications;
- (b) all SKUs delivered hereunder shall be of merchantable quality and fit for its intended purpose with best in class quality and service levels that meet or exceed the MFI Practice and the other requirements set out in the applicable Specifications;
- (c) all SKUs shall conform to all Applicable Law. Without limiting the generality of the foregoing, the origin of the goods, the materials used for their manufacture, and their design, manufacture, packaging, use instructions, distribution, assembly, installation, testing, delivery and sale will comply with all Applicable Law, including those relating to: (i) the protection of the environment; (ii) the handling and transportation of waste and hazardous substances; (iii) health and safety; (iv) labour and employment (including prohibitions against child labour and corporal punishment); and (v) the conduct by Supplier of its business;
- (d) the obligations under this Agreement shall be performed in a first class and professional manner at minimum consistent with what would be expected of a first-tier supplier. Without limiting the generality of the foregoing, all SKUs delivered hereunder shall be produced in a manner that meets best in class standards for health and safety practices and standards, provided that such practices and standards meet or exceed MFI Practice;
- (e) all Hogs shall be raised in a manner that meets best in class standards of animal care in accordance with MFI Practice and that meets the applicable criteria specified in the applicable Specifications based on the type of Hog;
- (f) Supplier will, at all times, comply with all Laws applicable to Supplier, and maintain all permits, certificates and licences necessary or desirable for the proper conduct

of Supplier's operations and the performance of its obligations under this Agreement;

- (g) Supplier has, or at the time of delivery shall have, and shall transmit to MFI good title to any goods delivered hereunder, free and clear of all encumbrances, claims and liens of any kind whatsoever;
- (h) Supplier shall provide a level of protection for any personal information received from MFI that meets the requirements of the Personal Information Protection and Electronic Documents Act and any other applicable privacy legislation, and is otherwise consistent with best industry practice;
- (i) Supplier shall maintain biosecurity protocols that meet or exceed MFI Practice (or good industry practice at the applicable time, if such practice is more stringent than MFI Practice) and shall promptly adopt any future biosecurity protocols reasonably required by MFI from time to time; and
- (j) Supplier shall maintain sustainability programs (including related to carbon emissions and animal care) that meet or exceed MFI Practice.

5.02 MFI Standard Provisions Incorporated by Reference

The following MFI standards policies, provisions and practices, which can be found on MFI's corporate website at www.mapleleaf.com under the page entitled "Doing Business with Maple Leaf" are hereby incorporated by reference into, and form a part of, this Agreement, and Supplier agrees to be bound thereby. MFI reserves the right to modify, amend or add to, any such standards policies, provisions and practices, and acceptance by Supplier of any Purchase Order shall be deemed to be an acceptance and adoption of the then most recently modified standards policies, provisions and practices:

- (a) MFI Confidentiality Terms, which shall, for greater certainty, be subject to the terms of any other nondisclosure agreement in place between the Parties;
- (b) MFI Supplier Code of Conduct;
- (c) MFI Supplier Expense Reimbursement Guideline; and
- (d) MFI Data Security Policy.

5.03 Special Hog Specifications

All Special Hogs shall be raised in accordance with the applicable Specifications, provided that MFI may, from time to time, request additions to such specifications and claims, following which the Parties shall mutually agree, each acting reasonably, on such additions ("**Stronger Claims**") and the incremental costs associated with raising Special Hogs with such Stronger Claims.

5.04 Inspection

Supplier shall allow MFI and its representatives access to the Facilities and the Barns, and any relevant records of Supplier regarding the production, storage and distribution of Pork

and the raising of Special Hogs as MFI may reasonably require to ensure Supplier's compliance with the terms of this Agreement. Any such inspection or access by MFI and its representatives shall occur during Supplier's normal business hours upon 24 hours prior notice by MFI to Supplier, and MFI and its representatives shall comply with Supplier's reasonable biosecurity protocols as communicated by Supplier to MFI. MFI shall be permitted to make copies of the records required to be disclosed by Supplier hereunder and take samples of any Pork.

5.05 Provision of Information

- (a) Supplier shall provide promptly to MFI copies of any material complaints concerning the Pork from other purchasers thereof or from any governmental or regulatory authority.
- (b) Upon request by MFI, and at Supplier's cost, Supplier shall furnish or make available to MFI samples for purposes of approval of the quality of products and proper usage of Trademarks.

5.06 Non-Conforming Deliverables

- (a) MFI, shall have the right, in its sole discretion, to return to Supplier, at Supplier's expense and risk, any Pork delivered hereunder which is rejected by MFI as not conforming with the applicable Specifications (the "**Non-Conforming Deliverables**"). If Supplier agrees that it is cost effective for MFI to dispose of the Non-Conforming Deliverables or fails to accept the return of the Non-Conforming Deliverables, MFI may, acting reasonably, dispose of the Non-Conforming Deliverables at the sole cost and liability of Supplier. MFI shall not be responsible for any out of pocket or other costs for return of Non-Conforming Deliverables, related re-processing of Non-Conforming Deliverables or disposal of the Non-Conforming Deliverables. If the Non-Conforming Deliverables cannot be re-processed, without limiting any other rights or claims MFI has hereunder:
 - (i) MFI shall not be responsible for, and shall be refunded (to the extent of amounts paid), any amounts paid or payable relating to the Non-Conforming Deliverables; and
 - (ii) If MFI obtains goods similar to the goods from another supplier to satisfy unfulfilled quantities, Supplier shall be responsible for all costs related to MFI's purchase of goods from the alternative supplier in excess of the pricing for which Supplier was obligated to sell the goods to MFI.
- (b) Supplier shall notify MFI as soon as Supplier becomes aware that:
 - (i) the goods will not be, or have not been, delivered in a timely fashion or as otherwise required in a Purchase Order; or
 - (ii) the goods will not, or have failed to, perform in accordance with the applicable Specifications.
- (c) Supplier acknowledges that MFI may conduct testing on samples of any Pork supplied hereunder and MFI shall have the right, acting reasonably, to notify Supplier that the goods have not been delivered in accordance with the applicable

Specifications, in which case, Supplier shall be required, at its cost, to correct such failure as quickly as is practicable.

- (d) The occurrence of an event under Section 5.06(b), or the failure by Supplier to correct Non-Conforming Deliverables in a timely manner pursuant to Section 5.06(c) shall constitute a Supplier Event of Default under this Agreement.

5.07 MFI's Audit Rights

- (a) Subject to Section 5.07(b), MFI and MFI's accountants shall be afforded reasonable access, at reasonable times, to all relevant information reasonably necessary to verify and audit all pricing and pricing calculations contemplated by this Agreement (including the calculations of actual cost per RWA Hog under Section 2.03(a)) and to otherwise confirm that Supplier has complied with its obligations under this Agreement, including sustainability claims (including carbon emissions) and the statements of shipped Subject Pork provided under Section 6.06(b). Such audits may require inspection of relevant information, materials and data reasonably necessary to verify amounts charged by Supplier, or to otherwise confirm Supplier's compliance with this Agreement. To the extent that Supplier is subject to any confidentiality obligations in respect of the information reasonably necessary for MFI to complete an audit as contemplated hereby, the Parties agree to put in place alternative arrangements (including the use of an independent accountant or, if acceptable to MFI, Supplier's auditors) to give effect to and permit MFI to exercise the audit rights contemplated hereby.
- (b) Audits of Supplier's compliance with its obligation to reimburse the RWA Upcharge under Section 6.04 or the OPG Premium under Section 6.05 shall be conducted by a third party auditor selected by MFI.
- (c) Where any such audit results in MFI concluding that amounts invoiced by Supplier under this Agreement exceeded the amount that Supplier was entitled to invoice to MFI, MFI shall be permitted to send notice of such audit results to Supplier and demand repayment of all such overcharges to MFI. If Supplier does not dispute such audit results by providing written notice of such dispute to MFI within *[Redacted – Commercially Sensitive Information]* Business Days following MFI's delivery of such audit results to Supplier, Supplier shall be deemed to have irrevocably accepted the audit results and shall forthwith pay to MFI the overcharges claimed by MFI together with interest and other costs, fees and expenses entitled to be claimed by MFI pursuant to Section 5.07(d). If Supplier disputes all or any portion of such audit results it shall provide written notice of such dispute to MFI within *[Redacted – Commercially Sensitive Information]* Business Days following MFI's delivery of such audit results to Supplier and the dispute shall be resolved in accordance with Article 10 of this Agreement; provided, however, that such dispute notice shall not be valid unless Supplier refunds to MFI at the time such dispute notice is delivered to MFI all such overcharges which are not in dispute. If upon final resolution of such dispute (either by agreement of the Parties or pursuant to Article 10) Supplier is required to pay all or a portion of the disputed amount of the overcharge claimed by MFI, such amount shall be immediately due and payable by Supplier to MFI upon such resolution of the dispute.

- (d) To the extent Supplier is required to refund any overcharge to MFI as contemplated by this Section 5.07 (including any undisputed portion of the overcharge claimed by MFI and any disputed portion resolved by agreement of the Parties or otherwise determined pursuant to Article 10), and:
- (i) such overcharge constitutes less than [*Redacted – Commercially Sensitive Information*] of the amount charged by Supplier in connection with the transactions at issue, MFI shall also be entitled to interest on the amount of such overcharge at an annual rate of interest equal to [*Redacted – Commercially Sensitive Information*], compounded monthly, from the date such overcharge was originally paid by MFI to Supplier until such overcharge is paid in full to MFI; or
 - (ii) such overcharge constitutes [*Redacted – Commercially Sensitive Information*] or more of the amount charged by Supplier in connection with the transactions at issue, MFI shall also be entitled to be fully reimbursed by Supplier for all reasonable costs, fees and expenses incurred by MFI in connection with preparing the audit that revealed such overcharges and, notwithstanding the provisions of Article 10, Supplier shall fully reimburse MFI for all reasonable costs, fees and expenses incurred by MFI in connection with any dispute resolution process relating to such overcharge, including all reasonable legal fees incurred by MFI, together with payment of interest to MFI on the amount of:
 - (A) such overcharge from the date such overcharge was originally paid by MFI to Supplier until such overcharge is paid in full to MFI; and
 - (B) such reasonable costs, fees and expenses entitled to be claimed by MFI hereunder from the date which is [*Redacted – Commercially Sensitive Information*] Business Days following the date MFI demands payment therefor until the date MFI receives payment in full of such amounts from Supplier,in each case at an annual rate of interest equal to [*Redacted – Commercially Sensitive Information*] compounded monthly.
- (e) Where any such audit results in MFI concluding that Supplier has not complied with its obligations under this Agreement, MFI shall be entitled to exercise any right, remedy or relief vested in or to which MFI may otherwise be entitled, at law or in equity, including as set out in Section 5.06, Article 7, Section 8.01 and Section 9.01.

5.08 Quality and Warranty – Deboning

MFI represents, warrants and covenants that:

- (a) the boneless hams delivered to Supplier under Section 2.08 shall:
 - (i) conform to the applicable Specifications;

- (ii) be of merchantable quality and fit for its intended purpose with best in class quality and service levels that meet MFI Practice and the requirements set out in the applicable Specifications and, as applicable, the Weekly Sales Order; and
 - (iii) conform to all Applicable Law, including those relating to: (i) the protection of the environment; (ii) the handling and transportation of waste and hazardous substances; (iii) health and safety; (iv) labour and employment (including prohibitions against child labour and corporal punishment); and (v) the conduct by MFI of its business; and
- (b) MFI shall perform the Deboning in accordance with all Applicable Law and in a first class and professional manner at minimum consistent with what would be expected of a first-tier supplier in accordance with MFI Practice. Without limiting the foregoing, MFI shall maintain all permits, certificates and licences necessary or desirable to perform the Deboning.

5.09 Supplier's Audit Rights

- (a) Supplier and Supplier's accountants shall be afforded reasonable access, at reasonable times, to all relevant information reasonably necessary to verify and audit the calculation of the Processing Fee under Section 6.03(a)(iii), the fee described in Section 6.06 and the fee described in Section 6.07. Such audits may require inspection of relevant information, materials and data reasonably necessary to verify amounts charged by MFI. To the extent that MFI is subject to any confidentiality obligations in respect of the information reasonably necessary for Supplier to complete an audit as contemplated hereby, the Parties agree to put in place alternative arrangements (including the use of an independent accountant or, if acceptable to Supplier, MFI's auditors) to give effect to and permit Supplier to exercise the audit rights contemplated hereby.
- (b) Where any such audit results in Supplier concluding that the Processing Fee, the fee described in Section 6.06 or the fee described in Section 6.07 invoiced by MFI exceeded the amount that MFI was entitled to invoice to Supplier, Supplier shall be permitted to send notice of such audit results to MFI and demand repayment of all such overcharges to Supplier. If MFI does not dispute such audit results by providing written notice of such dispute to Supplier within [*Redacted – Commercially Sensitive Information*] Business Days following Supplier's delivery of such audit results to MFI, MFI shall be deemed to have irrevocably accepted the audit results and shall forthwith pay to Supplier the overcharges claimed by Supplier together with interest and other costs, fees and expenses entitled to be claimed by Supplier pursuant to Section 5.09(c). If MFI disputes all or any portion of such audit results it shall provide written notice of such dispute to Supplier within [*Redacted – Commercially Sensitive Information*] Business Days following Supplier's delivery of such audit results to MFI and the dispute shall be resolved in accordance with Article 10 of this Agreement; provided, however, that such dispute notice shall not be valid unless MFI refunds to Supplier at the time such dispute notice is delivered to Supplier all such overcharges which are not in dispute. If upon final resolution of such dispute (either by agreement of the Parties or pursuant to Article 10) MFI is required to pay all or a portion of the disputed

amount of the overcharge claimed by Supplier, such amount shall be immediately due and payable by MFI to Supplier upon such resolution of the dispute.

- (c) To the extent MFI is required to refund any overcharge to Supplier as contemplated by this Section 5.09 (including any undisputed portion of the overcharge claimed by Supplier and any disputed portion resolved by agreement of the Parties or otherwise determined pursuant to Article 10), and:
- (i) such overcharge constitutes less than [*Redacted – Commercially Sensitive Information*] of the amount charged by MFI in connection with the transactions at issue, Supplier shall also be entitled to interest on the amount of such overcharge at an annual rate of interest equal to [*Redacted – Commercially Sensitive Information*], compounded monthly, from the date such overcharge was originally paid by Supplier to MFI until such overcharge is paid in full to Supplier; or
 - (ii) such overcharge constitutes [*Redacted – Commercially Sensitive Information*] or more of the amount charged by MFI in connection with the transactions at issue, Supplier shall also be entitled to be fully reimbursed by MFI for all reasonable costs, fees and expenses incurred by Supplier in connection with preparing the audit that revealed such overcharges and, notwithstanding the provisions of Article 10, MFI shall fully reimburse Supplier for all reasonable costs, fees and expenses incurred by Supplier in connection with any dispute resolution process relating to such overcharge, including all reasonable legal fees incurred by Supplier, together with payment of interest to Supplier on the amount of:
 - (A) such overcharge from the date such overcharge was originally paid by Supplier to MFI until such overcharge is paid in full to Supplier; and
 - (B) such reasonable costs, fees and expenses entitled to be claimed by Supplier hereunder from the date which is [*Redacted – Commercially Sensitive Information*] Business Days following the date Supplier demands payment therefor until the date Supplier receives payment in full of such amounts from Supplier,

in each case at an annual rate of interest equal to [*Redacted – Commercially Sensitive Information*] compounded monthly.

ARTICLE 6 INVOICING AND PAYMENT TERMS; REIMBURSEMENT

6.01 Purchase Orders

- (a) MFI shall place orders for Pork under this Agreement by delivering Purchase Orders to Supplier that reference this Agreement and Supplier agrees to fulfil such Purchase Orders in accordance with the terms and conditions of this Agreement and the applicable Purchase Order. Supplier agrees to supply the Pork in accordance with the applicable Specifications and Service Level Expectations.

- (b) A Purchase Order will otherwise specify the following:
 - (i) applicable SKU(s);
 - (ii) shipping instructions (if applicable);
 - (iii) delivery location and billing address (if applicable);
 - (iv) price;
 - (v) quantity;
 - (vi) date(s);
 - (vii) fees; and
 - (viii) acceptance criteria.
- (c) Supplier shall confirm all Purchase Orders in writing within [*Redacted – Commercially Sensitive Information*] of receipt. In the event Supplier is not able to fulfill a Purchase Order, Supplier must inform MFI of required changes within [*Redacted – Commercially Sensitive Information*] of receipt. In the event that Supplier is unable to fulfill a Purchase Order in accordance with its terms, it will be MFI's option to withdraw or modify the Purchase Order or modify the quantities of Pork requested without limiting any other rights MFI has hereunder.
- (d) Supplier agrees to transact electronically through a third party service provider, at MFI's discretion and at Supplier's sole cost. Purchase Orders may be transmitted via a third party service provider and Supplier may be required to remit invoices, order confirmations, receipts, and/or service entry sheets through this same third party service provider. Currently this third party is [*Redacted – Commercially Sensitive Information*]; however, MFI reserves the right to change this at any time and will provide reasonable notice to Supplier of such a change. All rights, duties and obligations which would accrue upon receipt of data in the form of paper documentation will also accrue upon receipt of the data in electronic form. MFI's source evidence relating to electronically transmitted data will be deemed to be conclusive and binding on the Parties and Supplier will not contest the admissibility thereof in any litigation under any evidence rule, principle or law.

6.02 Invoicing and Payment Terms – Pork

- (a) MFI will pay the prices for Pork based upon the formulae set out in Schedule B hereto. The Parties acknowledge that until they mutually agree otherwise, the components of the formulae are fixed other than the USDA component. The USDA component of the formulae is updated on a weekly basis. For a given week, the inputs for the USDA component of the formulae will be the USDA weekly average calculated using the data from the immediately preceding Friday-to-Thursday. Schedule B will be updated from time to time with new SKUs as required, and may be further updated to implement any modifications agreed by the Parties following an annual pricing review process conducted by the Operational Committee (with such modifications effective January 1st of the following calendar year). For clarity,

Supplier does not have a unilateral right to impose changes to the pricing formulae, and no changes to the pricing formulae shall be implemented unless both Parties agree in writing.

- (b) Supplier will invoice MFI in accordance with the terms of the applicable Purchase Order. Each invoice shall reference the corresponding Purchase Order. Subject to Sections 6.03(b), 6.06(b) and 6.07(c), MFI shall pay Supplier for the SKUs actually delivered in accordance with the terms and conditions of each Purchase Order within [*Redacted – Commercially Sensitive Information*] days of receipt of an invoice from Supplier, unless different payment terms are agreed to in a Purchase Order; provided, however, that where amounts invoiced by Supplier are disputed in good faith by MFI, MFI may withhold payment of the disputed amount after providing notice to Supplier of the nature and particulars of the dispute. MFI shall pay all undisputed amounts when resolved. Upon MFI providing notice of dispute as aforesaid, each of MFI and Supplier shall negotiate in good faith to resolve the dispute in accordance with Article 10 of this Agreement.

6.03 Invoicing and Payment Terms – Boneless Hams and Byproducts

- (a) MFI will invoice Supplier for the boneless hams and Byproducts processed pursuant to Section 2.08 as follows:
 - (i) any Byproduct sold to Supplier from the bone-in hams purchased and retained by MFI will have a price per SKU as set out in Schedule B hereto;
 - (ii) subject to Section 6.03(a)(iv), all boneless hams and associated Byproducts sold to Supplier in accordance with Section 2.08 will be indexed to the market price at which MFI purchased the corresponding bone-in hams from Supplier in accordance with Section 6.02;
 - (iii) MFI will charge a processing services fee plus a margin of [*Redacted – Commercially Sensitive Information*] (collectively, the “**Processing Fee**”). The Processing Fee is charged on output at Standard Yields and will be updated each year in accordance with the following principles:
 - (A) [*Redacted – Commercially Sensitive Information*];
 - (B) [*Redacted – Commercially Sensitive Information*];
 - (C) [*Redacted – Commercially Sensitive Information*]; and
 - (D) [*Redacted – Commercially Sensitive Information*]; and
 - (iv) in respect of any Byproducts directed by Supplier to be delivered to rendering under Section 2.08(d), MFI will coordinate such rendering under its rendering services agreement, with Supplier volumes based on Standard Yields. MFI will issue a credit to Supplier for amounts as and when received from its service provider for the rendered materials. Such credit will be applied towards any current or future amounts owing by Supplier under this Agreement.

- (b) At MFI's discretion, the amounts payable by Supplier to MFI for boneless hams and Byproducts under Section 6.03(a) will be deducted from the amounts payable by MFI to Supplier for bone-in hams under Section 6.02(b), and Supplier shall pay the net balance payable (if any) to MFI. If MFI opts against such net settlement, Supplier shall pay MFI within [*Redacted – Commercially Sensitive Information*] days of receipt of an invoice from MFI; provided, however, that where amounts invoiced by MFI are disputed in good faith by Supplier, Supplier may withhold payment of the disputed amount after providing notice to MFI of the nature and particulars of the dispute. Supplier shall pay all undisputed amounts when resolved. Upon Supplier providing notice of dispute as aforesaid, each of MFI and Supplier shall negotiate in good faith to resolve the dispute in accordance with Article 10 of this Agreement.

6.04 Premium Reimbursement for Excess RWA Pork

- (a) Supplier will reimburse MFI for a proportion of the aggregate RWA Upcharge paid by MFI on any SKUs of Excess RWA Pork sold by Supplier in accordance with the following formula:

[*Redacted – Commercially Sensitive Information*]

- (b) Within [*Redacted – Commercially Sensitive Information*] days following the end of each calendar year, Supplier will provide MFI with an annual report, certified by Supplier's Chief Financial Officer, detailing: the volume of Excess RWA Pork (SKUs) sold by Supplier as RWA Pork in the immediately preceding year; the RWA Upcharge associated with such Excess RWA Pork; the total volume of RWA Pork (SKUs) produced at the Facilities; the total volume of RWA Pork (SKUs) produced at the Facilities that is sold as RWA; and the amount of the RWA Upcharge to be reimbursed to MFI, together with such supporting documentation as MFI may reasonably request.

6.05 Premium Reimbursement for Excess OPG Pork

- (a) Supplier will reimburse MFI for a proportion of the aggregate OPG Premium paid by MFI on any SKUs of Excess OPG Pork sold by Supplier in accordance with the following formula:

[*Redacted – Commercially Sensitive Information*]

- (b) Within [*Redacted – Commercially Sensitive Information*] days following the end of each calendar year, Supplier will provide MFI with an annual report, certified by Supplier's Chief Financial Officer, detailing: the volume of Excess OPG Pork (SKUs) sold by Supplier as OPG Pork in the immediately preceding year; the OPG Premium associated with such Excess OPG Pork; the total volume of OPG Pork (SKUs) produced at the Facilities; the total volume of OPG Pork (SKUs) produced at the Facilities that is sold as OPG; and the amount of the OPG Premium to be reimbursed to MFI, together with such supporting documentation as MFI may reasonably request.

6.06 Invoicing and Payment Terms – Broker Services

- (a) In exchange for MFI's provision of the services described in Section 3.01, the monthly fee shall be equal to *[Redacted – Commercially Sensitive Information]* of Supplier's total sales generated from the Subject Pork in the applicable month.
- (b) No later than the fifth of each month during the Term, Supplier shall provide MFI a statement of shipped Subject Pork and sales generated on such shipments during the previous month, and MFI shall provide Supplier an invoice based on such statement within *[Redacted – Commercially Sensitive Information]* days thereafter. At MFI's discretion, the amounts payable by Supplier for broker services under Section 6.06(a) will be deducted from the amounts payable by MFI to Supplier under Section 6.02(b), and Supplier shall pay the net balance payable (if any) to MFI. If MFI opts against such net settlement, Supplier's payment to MFI in respect of such previous month shall be due within *[Redacted – Commercially Sensitive Information]* days of receipt of an invoice from MFI.

6.07 Invoicing and Payment Terms – Shunting Fees

- (a) MFI will invoice Supplier for the shunting services described in Section 3.02 (the "**Shunting Fees**") as follows:
 - (i) For the Stub Period, the Shunting Fees shall be charged at *[Redacted – Commercially Sensitive Information]* of boneless hams and Byproducts shunted for Supplier and invoiced with each shipment; and
 - (ii) For each calendar year following the Stub Period, the Shunting Fees shall be invoiced monthly and calculated as follows:

[Redacted – Commercially Sensitive Information]

where:

"Total Shunting Costs" means total actual third party shunting costs paid or payable by MFI for shunting (inclusive of the costs for shunting Supplier volumes and MFI volumes); and

"Total Volume Shunted" means the total kilograms of product shunted by MFI (including MFI volumes and Supplier volumes).
- (b) Supporting details for the Shunting Fees shall be made available on the Supplier Portal.
- (c) At MFI's discretion, the amounts payable by Supplier for shunting services under Section 6.07(a) will be deducted from the amounts payable by MFI to Supplier under Section 6.02(b), and Supplier shall pay the net balance payable (if any) to MFI. If MFI opts against such net settlement, Supplier's payment to MFI shall be due within *[Redacted – Commercially Sensitive Information]* days of receipt of an invoice from MFI.

6.08 Royalty

In consideration of the license granted in Article 4, Supplier shall pay MFI an annual royalty of [Redacted – Commercially Sensitive Information] in four quarterly installments of [Redacted – Commercially Sensitive Information], each payable on or before the last Business Day of each calendar quarter during the Term. The annual royalty will be increased annually by the Inflation Adjustment Factor.

6.09 HST and Sales Taxes

All prices and fees stated herein are exclusive of applicable provincial sales and federal goods and services tax exigible in respect of any supply hereunder. Each invoice shall itemize all amounts for such taxes, and MFI agrees to pay such taxes properly shown on invoices or provide valid exemption documentation.

ARTICLE 7 TERM AND TERMINATION

7.01 Term

Unless terminated pursuant to the provisions of Section 7.03 below, this Agreement shall be effective as of the Effective Date and shall continue in full force and effect (the “**Term**”).

7.02 Supplier Events of Default

The occurrence of any of the following events shall constitute a “**Supplier Event of Default**” hereunder:

- (a) the occurrence of a default under the Credit Agreement that is continuing, if such default (i) is caused by a failure to pay the principal amount owing under the Credit Agreement at the final maturity date thereof, unless such default has been waived or the term of the Credit Agreement has been extended, or (ii) results in the acceleration of the amounts owing under the Credit Agreement prior to their express maturity, unless the declaration of such acceleration has been rescinded, and in the case of each of the foregoing subclauses (i) and (ii), the principal amount of the indebtedness then owing under the Credit Agreement aggregates [Redacted – Commercially Sensitive Information] or more;
- (b) Supplier becomes insolvent, consents to or makes a general assignment for the benefit of creditors or makes a proposal or applies for relief under the *Companies’ Creditors Arrangement Act* or takes advantage of insolvency legislation, or is declared bankrupt or if a liquidator, trustee in bankruptcy, receiver, receiver and manager or similar official is appointed of Supplier or of all or substantially all of Supplier’s property;
- (c) Supplier is in material default of any of its obligations under this Agreement and fails to cure such default within [Redacted – Commercially Sensitive Information] days of receipt of notice of such default from MFI; or
- (d) proceedings are commenced by Supplier for the winding-up or dissolution of Supplier.

7.03 Termination by MFI

MFI may terminate this Agreement immediately upon written notice to Supplier upon the occurrence of any Supplier Event of Default described in Section 7.02(b), 7.02(c) or 7.02(d).

7.04 Obligations on Termination

Upon the termination of this Agreement:

- (a) all outstanding Purchase Orders shall be terminated;
- (b) Supplier shall comply with Section 4.12;
- (c) Supplier shall refund MFI the RWA Upcharge and Margin that was paid on any RWA Hogs that have not been delivered to the applicable Facility in accordance with Section 2.03(b), on any portion of the RWA Upcharge and Margin that was paid on any SKUs that have not been delivered in accordance with Section 2.03(b) and on any Shortfall. In addition, Supplier shall refund MFI the OPG Premium that was paid on any OPG Hogs that have not been delivered to the applicable Facility in accordance with Section 2.04(b), on any portion of the OPG Premium that was paid on any SKUs that have not been delivered in accordance with Section 2.04(b) and on any Shortfall;
- (d) each Party shall be entitled to be paid for all services performed, reimbursements owed and goods delivered in accordance with this Agreement, as the case may be, up to the effective termination date; and
- (e) Supplier agrees to provide any assistance requested by MFI to allow MFI to make a timely, efficient and cost effective transition to a new supplier, as applicable.

7.05 Supplier's Failure to Supply

- (a) Subject to Section 7.05(b), without limiting the MFI's other rights under this Article 7, including Section 7.03, if Supplier fails to supply any of the volumes required under Article 2 (the extent of the deficiency being the "**Shortfall**"), other than as a result of a Material Adverse Event:
 - (i) if such Shortfall is in respect of or otherwise relating to RWA Hogs, Supplier shall refund MFI the RWA Upcharge and Margin that was paid on the Shortfall, if any. In addition, if such Shortfall is in respect of or otherwise relating to OPG Hogs, Supplier shall refund MFI the OPG Premium that was paid on the Shortfall, if any;
 - (ii) MFI may source the Shortfall with alternative suppliers, and Supplier will pay MFI (as determined by MFI, with reasonable supporting documentation):
 - (A) if the pricing for the Shortfall is in excess of what would have been payable by MFI hereunder, the amount of such excess; and
 - (B) all Losses incurred by MFI in taking such rectification steps; and

- (iii) Supplier will compensate MFI for any loss in sales in respect of any Shortfall that MFI cannot source on a commercially reasonable efforts basis.
- (b) If a Shortfall occurs, or is reasonably expected to occur, as a result of a non-foreign animal disease, Supplier shall promptly (and no later than [Redacted – Commercially Sensitive Information] Business Days after becoming aware of the outbreak) inform MFI of such occurrence by a written notice to MFI proposing remedial measures and the diligent timeline for remediation (the “**Draft Remediation Plan**”). Within [Redacted – Commercially Sensitive Information] Business Days of Supplier’s submission of the Draft Remediation Plan, the Parties shall cooperate in good faith to finalize the Draft Remediation Plan so that its contents are mutually satisfactory, each acting reasonably. If a Draft Remediation Plan is mutually agreed within such [Redacted – Commercially Sensitive Information] Business Day period (such plan being the “**Final Remediation Plan**”), MFI shall not exercise its rights under Section 7.05(a) until the expiry of the timeline set out in the Final Remediation Plan (or such longer period as agreed by MFI, acting reasonably).

7.06 MFI’s Option to Purchase

- (a) Supplier hereby grants to MFI an exclusive and irrevocable option to purchase all of Supplier’s assets which are reasonably required for Supplier to satisfy its obligations under this Agreement (the “**Purchased Assets**”) upon the occurrence of any Supplier Event of Default described in Section 7.02(a), 7.02(b) or 7.02(d) (each a “**Trigger Date**”), on the terms and conditions set out in this Section 7.06.
- (b) MFI shall be entitled, within a period of [Redacted – Commercially Sensitive Information] days following any Trigger Date (each an “**Exercise Period**”), to elect to purchase the Purchased Assets for the Current Value by delivering written notice thereof (the “**Exercise Notice**”) to Supplier.
- (c) The Parties shall attempt, for a period of [Redacted – Commercially Sensitive Information] Business Days after delivery of the Exercise Notice, to reach agreement as to Current Value of the Purchased Assets. If such agreement cannot be reached within such period, each Party shall be entitled to appoint an appraiser within the period of [Redacted – Commercially Sensitive Information] Business Days following the expiry of the initial [Redacted – Commercially Sensitive Information] Business Day period and shall give written notice to the other Party of the identity of the appraiser so appointed. Each appraiser appointed pursuant to this Section 7.06 (an “**Appraiser**”) shall be fully accredited under the Appraisal Institute of Canada (or its successor or, failing either, another equivalent national Canadian real estate appraisal organization) and shall be at arm’s length (within the meaning of this expression in the *Income Tax Act* (Canada)) from the Party appointing them and shall be generally recognized as a person experienced in appraising and qualified to appraise assets such as the Purchased Assets in the applicable provincial jurisdictions. If only one Appraiser is appointed within such period, the decision of such Appraiser shall be binding on all the Parties.
- (d) After the second Appraiser has been so appointed, the two Appraisers shall appoint a third Appraiser as soon as possible, and in any event within [Redacted

– *Commercially Sensitive Information*] days after the second Appraiser has been so appointed. If the first two Appraisers do not so appoint the third Appraiser, either Party may apply to court to appoint such third Appraiser pursuant to the Ontario Rules of Civil Procedure.

- (e) For the purpose of determining the Current Value, the Appraiser or Appraisers shall have access to all books of account and records and all vouchers, cheques, papers and documents of or which may relate to the Purchased Assets. The Parties shall co-operate with the Appraisers for such purpose and provide all information and documents requested by them. The Appraiser shall have regard to all relevant considerations, including historic and potential performance, the terms and conditions of this Agreement and of all obligations and shall make all proper and necessary allowances for contingent or other liabilities but shall make no allowance for goodwill. The Appraiser or Appraisers shall have the right to retain such experts as they may deem necessary to assist them in making such valuation, at the expense of the Parties.
- (f) The Appraiser or Appraisers shall report their determination of the Current Value in writing to the Parties within [*Redacted – Commercially Sensitive Information*] days after their appointment. No Appraiser shall make such report until they have given each Party a reasonable opportunity to present arguments and evidence in respect of it.
- (g) If there is more than one Appraiser and if, in their reports, they do not agree on the Current Value of the Purchased Assets, the Parties shall, acting in good faith, attempt to agree on the Current Value of the Purchased Assets within [*Redacted – Commercially Sensitive Information*] days after receipt of the reports. If the Parties are unable to so agree on the Current Value of the Purchased Assets, then the following provisions shall apply:
 - (i) any appraisal, the amount of which differs by more than [*Redacted – Commercially Sensitive Information*] from the amount of that appraisal which is neither the highest nor lowest in amount shall be disregarded; and
 - (ii) the average of the amounts of the remaining appraisals, or the amount of the remaining appraisal (if two of the appraisals are to be disregarded), shall be deemed the Current Value.
- (h) The determination of the Current Value of the Purchased Assets pursuant to this Section shall, in the absence of fraud, be final and binding upon the Parties and all other Persons affected thereby and there shall be no appeal from it.
- (i) The fees and expenses of the Appraiser or Appraisers shall be paid in equal shares by the Parties.
- (j) The parties shall complete such transaction of purchase and sale on the last Business Day within [*Redacted – Commercially Sensitive Information*] days after the applicable Exercise Period has expired, or such longer period required to obtain any necessary regulatory approvals.

- (k) At the closing of the purchase and sale of the Purchased Assets (the “**Closing**”), Supplier must:
- (i) execute all documents necessary to complete such transaction of purchase and sale, and do all other acts and things which MFI may reasonably require in order to obtain good and marketable title to the Purchased Assets being sold, free and clear of all claims, liens and encumbrances; the Purchaser may, without prejudice to any other rights which the Purchaser may have, purchase the Purchased Assets subject to such claims, liens and encumbrances and the purchase price payable by the Purchaser for the Purchased Assets shall be satisfied, to the extent of the amount of each claim, lien or encumbrance so assumed, by the assumption thereof. Supplier hereby grants to MFI a power of attorney to execute and deliver any deeds, assignments, releases and other documents as may, in the opinion of MFI, be necessary or desirable to complete the transaction; and
 - (ii) deliver all third party consents required pursuant to any Applicable Law or required by any material agreement, permit or license pursuant to which Supplier or the Purchased Assets are bound by, in connection with the Closing.
- (l) Except as otherwise set out herein, the purchase and sale of the Purchased Assets shall be:
- (i) on such terms and conditions as are customary for the purchase and sale of assets in the applicable provincial jurisdictions comparable in quality and use to the Purchased Assets; and
 - (ii) subject to the satisfaction or waiver of Necessary Consents and Approvals.
- MFI and Supplier shall use best efforts to secure the Necessary Consents and Approvals.
- (m) Transfer taxes applicable to the purchase and sale of the Purchased Assets shall be allocated equally as between MFI and Supplier.

7.07 Other Relief

Any termination under Section 7.03 shall be without prejudice to any other right, remedy or relief vested in or to which either Party may otherwise be entitled, at law or in equity, by reason of the breach by the other Party of any provision hereof.

ARTICLE 8 INDEMNIFICATION AND INSURANCE

8.01 Indemnification by Supplier

Supplier hereby indemnifies and saves harmless MFI and its Affiliates, and their respective officers, directors, employees, agents and representatives, from and against any and all Losses to which MFI may be subject, or which MFI may suffer or incur by reason of:

- (a) any conduct, negligence, misfeasance or non-feasance of Supplier or any of its agents, contractors, officers or employees, including any breach by Supplier of this Agreement or the covenants or representations and warranties contained herein or any breach by Supplier of Applicable Law;
- (b) any shut down of the Facilities or Barns or substantial reduction in Supplier's capacities in Canada and/or the U.S. (whether temporary or permanent) including as a result of any strike, lockout or other similar disruption in Supplier's labour force or Supplier failing to comply with Applicable Law subject to the relief available to Supplier in the event of a Material Adverse Event; or
- (c) use by Supplier of any MFI Intellectual Property other than in accordance with this Agreement.

8.02 Indemnification by MFI

MFI hereby indemnifies and saves harmless Supplier from and against any and all Losses to which Supplier may be subject, or which Supplier may suffer or incur by reason of any conduct, negligence, misfeasance or nonfeasance of MFI or any of its agents, contractors (other than Supplier), officers or employees, including any breach by MFI of this Agreement subject to the relief available to MFI in the event of a Material Adverse Event.

8.03 Notification

Promptly upon obtaining knowledge thereof, the Party seeking indemnification pursuant to this Agreement (the "**Indemnified Party**") shall notify the other Party in writing (the "**Indemnifying Party**") of any cause which the Indemnified Party has determined has given rise to indemnification under this Article 8, provided that no failure to provide such notice promptly shall limit the rights of the Indemnified Party or Indemnified Parties to indemnification hereunder in respect of any such facts, circumstances or cause, except to the extent that the Indemnifying Party has actually been prejudiced thereby. No claim may be asserted nor may any action be commenced against an Indemnifying Party for breach of any covenant contained herein, unless such written notice of such claim or action is received by the Indemnifying Party (i) describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or action, (ii) including copies of all material written evidence thereof and (iii) indicating the estimated amount, if reasonably practicable, of the Losses that have been or may be sustained by the Indemnified Party. Following notification of any such claim, the Indemnified Party shall make available to the Indemnifying Party or its representatives on a timely basis all documents, records and other materials in the possession of the Indemnified Party reasonably requested by the Indemnifying Party to investigate the matter or circumstance alleged to give rise to the claim, and whether and to what extent any Losses are payable in respect of the claim, and the Indemnified Party shall assist the Indemnifying Party's investigation.

8.04 Defense of Third Party Claim

- (a) If any legal proceeding shall be instituted or any claim or demand shall be asserted by a third party against the Indemnified Party (each a "**Third Party Claim**"), then other than in the circumstances provided for under Section 4.10, the Indemnifying Party shall have the right, after receipt of the Indemnified Party's notice under Section 8.03 and upon giving notice to the Indemnified Party within [*Redacted – Commercially Sensitive Information*] Business Days of such receipt, to defend the

Third Party Claim at its own cost and expense with counsel of its own selection, provided that:

- (i) the Indemnified Party shall at all times have the right to fully participate in the defense at its own expense; and
 - (ii) the Indemnified Party shall have the right to control and defend any action for injunctive or other relief against the Indemnified Party.
- (b) If the Indemnifying Party fails within [*Redacted – Commercially Sensitive Information*] Business Days from receipt of the notice of a Third Party Claim to give notice of its intention to defend the Third Party Claim in accordance with Section 8.04(a), or if the Indemnifying Party fails to conduct the defence with reasonable diligence, then the Indemnifying Party shall be deemed to have waived its right to defend the Third Party Claim and the Indemnified Party shall have the right (but not the obligation) to undertake or to cause the Indemnifying Party to undertake the defence of the Third Party Claim and compromise and settle the Third Party Claim on behalf, for the account and at the risk and expense of the Indemnifying Party, provided that such Third Party Claim may not be settled or compromised by the Indemnified Party without the prior written consent of the Indemnifying Party, such consent not to be unreasonably withheld.
- (c) If an unconditional offer is made or received by the Indemnifying Party to compromise and settle a Third Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such offer within [*Redacted – Commercially Sensitive Information*] days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third Party Claim and, in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such compromise and settlement offer. If the Indemnified Party fails to consent to such offer and also fails to assume defence of such Third Party Claim, the Indemnifying Party may compromise and settle the Third Party Claim upon the terms set forth in the offer to settle such Third Party Claim.
- (d) Where the defence of a Third Party Claim is being undertaken and controlled by the Indemnifying Party, the Indemnified Party will use its reasonable efforts to make available to the Indemnifying Party those employees whose assistance, testimony or presence is necessary to assist the Indemnifying Party in evaluating and defending any such claims.
- (e) With respect to any Third Party Claim, the Indemnified Party shall make available to the Indemnifying Party or its representatives on a timely basis all documents, records and other materials in the possession of the Indemnified Party, reasonably required by the Indemnifying Party for its use in defending any such claim and shall otherwise cooperate on a timely basis with the Indemnifying Party in the defence of such claim.

8.05 Payments

Any amount due to an Indemnified Party from an Indemnifying Party pursuant to this Article 8 shall be paid by the Indemnifying Party to the Indemnified Party not later than [Redacted – Commercially Sensitive Information] Business Days following the final determination of an indemnification claim by way of wire transfer of immediately available funds to an account designated by the Indemnified Party.

8.06 Indirect Losses

In no event shall MFI be liable to Supplier for any indirect, special, punitive, incidental, exemplary or consequential Losses of any kind (collectively, “**Indirect Losses**”) including any loss of business revenue or earnings, lost profits, loss caused by delay and failure to realize expected savings (even if MFI has been advised of the possibility of such damages). In no event shall Supplier’s liability to MFI for Indirect Losses which MFI may suffer or incur by reason of an animal disease exceed, for each occurrence, [Redacted – Commercially Sensitive Information] multiplied by the aggregate amount paid or payable by MFI to Supplier during the [Redacted – Commercially Sensitive Information] month period preceding the date of such occurrence.

8.07 Other Relief

Any indemnification under Section 8.01 or Section 8.02 shall be without prejudice to any other right, remedy or relief vested in or to which either Party may otherwise be entitled, at law or in equity, by reason of the occurrence of the indemnified event.

8.08 Insurance

Supplier shall, at its sole cost and expense, maintain in full force and effect at all times during the Term:

- (a) occurrence based comprehensive commercial general liability insurance with a limit in an amount of not less than [Redacted – Commercially Sensitive Information] Dollars per occurrence. Such insurance will include coverage for personal injury liability, bodily injury liability and death, products and completed operations liability (two years), blanket contractual liability (including liability for damage to or losses relating to performance by Supplier of its obligations set forth herein), and property damage liability (including liability for damage to or losses relating to any Facility or Barn). Limits may be met by the use of Umbrella coverage meeting the same requirements above;
- (b) a commercial automobile liability insurance policy for all owned, non-owned and hired vehicles with a minimum of [Redacted – Commercially Sensitive Information] Dollars combined single limit for bodily injury and property damage. Non-owned and hired vehicle coverage may be included within the commercial general liability coverage above. Limits may be met by the use of Umbrella coverage meeting the same requirements above;
- (c) worker’s compensation insurance in accordance with the statutory requirements of the province or state where the applicable Supplier 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 [*Redacted – Commercially Sensitive Information*] Dollars resulting from one occurrence; and

- (d) inland transit insurance coverage affording minimum coverage in an amount not less than the maximum value of any shipment of goods made or to be made by Supplier. Supplier shall insure all goods until risk of loss has transferred to MFI and shall assume full responsibility for, and indemnify and hold MFI harmless from and against, any loss or damage to goods in the care, custody or control of Supplier, including carriers engaged by Supplier.

All such insurance shall be primary to, and non-contributing by insurance maintained by MFI and is to be purchased from reputable, duly qualified insurance companies, with at least an A.M. Best Rating of A-; FCS VII. In addition, the foregoing coverage may be increased from time to time as directed by MFI, acting reasonably. All such policies of insurance shall include an endorsement providing that no cancellation of any such policy will be effective unless MFI received at least [*Redacted – Commercially Sensitive Information*] days prior written notice of such cancellation. Supplier shall cause its commercial general liability insurance and any umbrella insurance referred to in Section 8.08(a) above to name MFI as an additional insured and to be endorsed with a waiver of subrogation in favour of MFI. Supplier shall cause a certificate(s) of insurance executed by the insurer named in the applicable policies described above (or by an authorized insurance broker) to be delivered to MFI concurrently with Supplier's execution of this Agreement, upon annual renewal of said insurance, and from time to time following the receipt of a written request therefor from MFI. The specification of minimum insurance required to be maintained by Supplier shall not be inferred as a limitation on Supplier's liability, and the decision to forego maintaining further insurance shall be at the sole risk of Supplier.

ARTICLE 9 SUPERVENING EVENTS

9.01 MFI's Step-In Rights

If:

- (a) MFI, acting reasonably, considers that:
 - (i) a Supplier breach (A) is likely to create an immediate and serious threat to health or safety, or MFI's reputation or (B) is prejudicial to the ability to carry on MFI's business to a material degree; and/or
 - (ii) Supplier is otherwise in material breach of its obligations under this Agreement; and/or
- (b) Supplier accumulates continuing and material service, quality or safety level failures as set out in this Agreement or any Purchase Order,

MFI may, by written notice, if MFI determines that there is sufficient time and Supplier is likely able to assist, require Supplier to take such steps as MFI, acting reasonably, considers necessary or expedient to mitigate, rectify or protect against such circumstance, and Supplier shall use commercially reasonable efforts to comply with MFI's requirements as soon as reasonably practicable. If MFI provides such notice and Supplier fails to take the steps required in such notice, or if MFI determines that there is insufficient time or Supplier is not likely to be able to assist, then

MFI may take such steps as it considers to be appropriate, acting reasonably, and Supplier shall reimburse MFI for all Losses incurred by MFI in relation to the exercise of MFI's rights pursuant to this Section 9.01.

9.02 Exercise of Rights

MFI's rights under Section 9.01 shall apply only for so long as the circumstances referred to in Section 9.01 subsist or, in respect of any such circumstances relating to Supplier's performance of its obligations under this Agreement, until such time as Supplier shall have demonstrated to the reasonable satisfaction of MFI that, notwithstanding such circumstances, Supplier has taken such steps as are required pursuant to Section 9.01 as are necessary to be capable of performing its obligations under this Agreement to the required standard in accordance with this Agreement, and thereafter Supplier shall perform its obligations as aforesaid.

9.03 Market Disruption Event

In the event of:

- (a) a structural disruption to the hog / pork markets in the U.S. and/or Canada and a corresponding permanent change in supply and demand, which does or can reasonably be expected to distort USDA pricing for SKUs;
- (b) an occurrence which results in USDA pricing not being available; or
- (c) the establishment of a Canadian equivalent of USDA pricing

(each a "**Market Disruption Event**")

the Parties will enter into good faith negotiations with a view to agreeing as to a substitute basis for determining pricing during the Market Disruption Event that fairly reflects the economic position of both Parties in a manner that is consistent with this Agreement.

9.04 Material Adverse Event

- (a) For the purposes of this Agreement, "**Material Adverse Event**" means, in respect of the Party claiming relief (in this Section 9.04, the "**Claimant**"), the occurrence of a cause beyond its control which makes the performance of its obligations hereunder physically or legally impossible, other than shortage of funds or financial resources, including an act of God, fire, storm, labour relations disruption (including strike, lock-out, illegal work stoppages, slowdowns, boycotts or other labour disputes), outbreak of disease, epidemics or pandemics in each case affecting Supplier's employees (including any government-ordered quarantine or isolation associated therewith), the occurrence of a foreign animal disease which generally affects the hog/pork industry in the region in which Facilities are located (and not Supplier specifically), any Law affecting a Party, act of war, terrorism, insurrection, riot or other civil disturbance, transportation disruption caused by any third party (including freight embargoes, highway, railway or other delivery disruption), power failure, computer failure, mechanical breakdown or any other cause beyond its reasonable control, or beyond the reasonable control of any Person directly or indirectly engaged by it. For clarity, a Market Disruption Event shall not constitute a Material Adverse Event. Subject to Sections 9.04(c) (if Supplier is the Claimant)

and 9.04(d), the Claimant shall be relieved from liability under this Agreement to the extent that, by reason of the Material Adverse Event, it is not able to perform its obligations under this Agreement.

- (b) The relief available in respect of a Material Adverse Event is subject to the following:
 - (i) Relief will not be available to the extent the Claimant caused or contributed (directly or indirectly) to the effects of the Material Adverse Event.
 - (ii) The suspension of performance is of no greater scope and of no longer duration than is generally experienced by other participants in the hog / pork industry, as applicable.
 - (iii) The Claimant shall take commercially reasonable steps to mitigate the consequences of such event upon the performance of its obligations under this Agreement and to minimize any adverse effects on the other Party, shall resume performance of its obligations affected by the Material Adverse Event as soon as practicable and shall use commercially reasonable efforts to remedy its failure to perform.
 - (iv) The Claimant shall give written notice to the other Party within [*Redacted – Commercially Sensitive Information*] Business Days of such Party becoming aware of the Material Adverse Event. Such initial notice shall give sufficient details of the Material Adverse Event.
 - (v) The Claimant shall notify the other Party as soon as the consequences of the Material Adverse Event have ceased and of when performance of its affected obligations can be resumed.
 - (vi) If following the issue of the notice referred to in Section 9.04(b)(iv), the Claimant receives or becomes aware of any further information relating to the Material Adverse Event and/or any failure to perform, such Party shall submit such further information to the other Party as soon as reasonably possible.
 - (vii) To the extent the Claimant does not comply with its obligations under this Section 9.04(b), such failure shall be taken into account in determining such Party's entitlement to relief pursuant to this Section 9.04.
- (c) If Supplier is the Claimant, within [*Redacted – Commercially Sensitive Information*] Business Days of the initial notice described in Section 9.04(b)(iv), Supplier must put forward a recovery plan for MFI's approval, acting reasonably, and thereafter perform its obligations to achieve all elements of such plan in accordance with its terms.
- (d) During any prolonged period of the Material Adverse Event, the Parties shall enter into good faith negotiations to agree to any modifications to this Agreement to address, on a best efforts basis, the effects of the same so that there is a continued and appropriate supply of Pork.

**ARTICLE 10
COMMITTEES; DISPUTE RESOLUTION**

10.01 Operational Committee

- (a) The Parties shall establish a committee (the “**Operational Committee**”) consisting of two representatives appointed by MFI and two representatives appointed by Supplier. The Parties shall be entitled to replace any of its representatives on the Operational Committee by written notice to the other Party, and the Parties may mutually agree to expand the size of the Operational Committee from time to time.
- (b) The Operational Committee shall assist the Parties by facilitating alignment with respect to the day-to-day interpretation, performance and administration of this Agreement, and to address any issues that may arise hereunder from time to time, including any issues that may give rise to potential conflicts of interest.
- (c) Subject to Section 10.01(d), any unanimous decision of the Operational Committee shall be final and binding on the Parties. If the Operational Committee is unable to reach a unanimous decision, either Party may refer the matter for resolution in accordance with Section 10.02.
- (d) The Operational Committee shall not have authority to make decisions with respect to or approve:
 - (i) any amendment to or waiver of any provision of this Agreement; or
 - (ii) any matter with respect to which MFI has a right of consent or in respect of which MFI may exercise discretion pursuant to this Agreement.
- (e) The members of the Operational Committee may adopt such procedures and practices for the conduct of the activities of the Operational Committee as they consider appropriate from time to time. Once established, the Operational Committee shall meet [*Redacted – Commercially Sensitive Information*], unless otherwise agreed by the members of the Operational Committee or the Parties.
- (f) Any representative on the Operational Committee may convene a special meeting of the Operational Committee at any time. Special meetings of the Operational Committee may be convened on not less than [*Redacted – Commercially Sensitive Information*] Business Days’ notice to all members of the Operational Committee identifying the agenda items to be discussed at the special meeting.
- (g) Unless otherwise agreed by the members of the Operational Committee, the Operational Committee shall meet in any location in Ontario. Meetings of the Operational Committee may be held by means of such telephonic, electronic or other communication facilities as permit all participants to communicate with each other simultaneously and instantaneously. A person participating in a meeting by such means will be deemed to be present at such meeting.
- (h) One representative of each Party shall constitute a quorum at any meeting of the Operational Committee. A quorum of members may exercise all the powers of the

Operational Committee. The members shall not transact business at a meeting of the Operational Committee unless a quorum is present.

- (i) Minutes of all meetings, recommendations and decisions of the Operational Committee, including those made by telephone or other form of communication, shall be recorded and maintained by such individual designated by the Operational Committee prior to the commencement of the applicable meeting.

10.02 Steering Committee

- (a) The Parties shall establish a committee (the “**Steering Committee**”) consisting of two representatives appointed by MFI and two representatives appointed by Supplier. The Parties shall be entitled to replace any of its representatives on the Steering Committee by written notice to the other Party, and the Parties may mutually agree to expand the size of the Steering Committee from time to time.
- (b) The Steering Committee shall assist the Parties by functioning as the forum to which issues unresolved by the Operational Committee shall be escalated.
- (c) Subject to Section 10.02(d), any unanimous decision of the Steering Committee shall be final and binding on the Parties. If the Steering Committee is unable to reach a unanimous decision, either Party may refer the matter for resolution in accordance with Section 10.03.
- (d) The Steering Committee shall not have authority to make decisions with respect to or approve:
 - (i) any amendment to or waiver of any provision of this Agreement; or
 - (ii) any matter with respect to which MFI has a right of consent or in respect of which MFI may exercise discretion pursuant to this Agreement.
- (e) The members of the Steering Committee may adopt such procedures and practices for the conduct of the activities of the Steering Committee as they consider appropriate from time to time. Once established, the Steering Committee shall meet [*Redacted – Commercially Sensitive Information*], unless otherwise agreed by the members of the Steering Committee or the Parties.
- (f) Any representative on the Steering Committee may convene a special meeting of the Steering Committee at any time. Special meetings of the Steering Committee may be convened on not less than [*Redacted – Commercially Sensitive Information*] Business Days’ notice to all members of the Steering Committee identifying the agenda items to be discussed at the special meeting.
- (g) Unless otherwise agreed by the members of the Steering Committee, the Steering Committee shall meet in any location in Ontario. Meetings of the Steering Committee may be held by means of such telephonic, electronic or other communication facilities as permit all participants to communicate with each other simultaneously and instantaneously. A person participating in a meeting by such means will be deemed to be present at such meeting.

- (h) One representative of each Party shall constitute a quorum at any meeting of the Steering Committee. A quorum of members may exercise all the powers of the Steering Committee. The members shall not transact business at a meeting of the Steering Committee unless a quorum is present.
- (i) Minutes of all meetings, recommendations and decisions of the Steering Committee, including those made by telephone or other form of communication, shall be recorded and maintained by such individual designated by the Steering Committee prior to the commencement of the applicable meeting.

10.03 Procedure for Resolution of Disputes

The Parties will [*Redacted – Commercially Sensitive Information*] to resolve any dispute, disagreement, controversy, question or claim, including any claim for indemnification, relating to this Agreement (in each case, a “**Dispute**”). If either Party wishes to resolve a Dispute, they will first refer such Dispute to the Operational Committee. If the Operational Committee is unable to resolve such Dispute within [*Redacted – Commercially Sensitive Information*] Business Days, either Party may refer such Dispute to their senior representative who will communicate the subject matter of such Dispute to the senior representative of the other Party. The senior representatives may thereafter attempt to resolve such Dispute. If the senior representatives are unable to resolve such Dispute within [*Redacted – Commercially Sensitive Information*] Business Days, the senior representatives will place such Dispute on the agenda for the next scheduled meeting of the Steering Committee. At such meeting, the Steering Committee will attempt to resolve such Dispute. Any Dispute not resolved by the Steering Committee during the meeting at which such Dispute is presented to the Steering Committee, or within such fixed period of time thereafter as may be agreed upon by all members of the Steering Committee, may thereafter be referred by either Party for resolution in accordance with Section 10.04.

10.04 Mediation

Any Dispute not otherwise resolved through the process set out in Section 10.03 shall be referred to mediation administered by ICDR Canada to be held within [*Redacted – Commercially Sensitive Information*] Business Days following the conclusion of such process. Should the Dispute remain unresolved after mediation, either Party may refer the matter for resolution in accordance with Section 10.05.

10.05 Arbitration

Subject to Sections 10.03 and 10.04, all Disputes will be finally determined by arbitration pursuant to the Canadian Arbitration Rules of ICDR Canada. The number of arbitrators shall be one. The seat of the arbitration shall be Toronto, Ontario. The language of the arbitration shall be English. The decision of the arbitrator shall be final and binding on the Parties and conclusively determine the rights and liabilities as between the Parties in respect of the matter in dispute. There shall be no appeal of the arbitrator’s decision on any question of law, fact or mixed fact and law.

ARTICLE 11 GENERAL

11.01 Amendment

No modification or amendment of this Agreement shall be effective unless in writing and signed by both Parties.

11.02 Confidentiality

In addition to the obligations set out in Section 4.11, at all times during the Term, each Party shall keep confidential all information relating to the subject matter of this Agreement (including pricing, volumes and the applicable protocols and specifications) except information which is or becomes generally available to the public (other than as a result of a breach of this Agreement) or is required by Applicable Law to be disclosed.

11.03 Waiver

A waiver of any default, breach or non-compliance under this Agreement is not effective unless in writing and signed by the Party to be bound by the waiver. No waiver will be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

11.04 Notices

(a) *Mode of Giving Notice.* Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by e-mail (return receipt requested) or other similar means of electronic communication, in each case to the applicable address set out below:

(b) if to MFI, to:

Maple Leaf Foods Inc.
6897 Financial Drive
Mississauga, Ontario L5N 0A8

Attention: Leslie Bell, VP, Sustainable Meats
Email: [Redacted – Personal Information]

with a copy to:

Attention: Martin Kearns, VP, Procurement
Email: [Redacted – Personal Information]

(c) if to Supplier to:

Canada Packers Inc.
6985 Financial Drive, Suite 201
Mississauga, Ontario L5N 0A1

Attention: Deepak Bhandari, CFO
Email: [Redacted – Personal Information]

with a copy to:

Attention: Jonathan Sawatzky, SVP, Hog Production and Procurement
Email: [Redacted – Personal Information]

- (d) *Deemed Delivery of Notice.* Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 4:30 p.m. EST on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.
- (e) *Change of Address.* Any Party may from time to time change its address under this Section 11.04 by notice to the other Party given in the manner provided by this Section 11.04.

11.05 Successors and Assigns

- (a) Neither this Agreement nor any rights or obligations hereunder shall be assignable by Supplier without the prior written consent of MFI, and any direct or indirect change of control of the Supplier shall be deemed an assignment by the Supplier.
- (b) For clarity, this Agreement shall not be terminated by reason of the disposal by Supplier of the Facilities, it being the intention of the Parties that as long as the Facilities are in operation during the Term, all Hogs and Pork produced there by Supplier, its successors and assigns shall be subject to this Agreement.
- (c) If Supplier desires to sell, directly or indirectly, all or substantially all of its interest in the Facilities (e.g., by way of a sale of equity interests owned by Canada Packers or a sale of other assets owned by the Supplier), MFI shall have a right of first refusal in respect of the Facilities, on the following terms:
- (i) If at any time Supplier receives a *bona fide* arm's length offer (the "**Third Party Offer**") from a Third Party to purchase the Facilities or any part thereof or any interest therein which offer Supplier is ready, willing and able

to accept, then, and so often as the same occurs, Supplier will: (A) notify MFI pursuant to a notice in writing delivered to MFI (the “**Third Party Offer Notice**”) that such Third Party Offer has been received, identifying the interest in the Facilities to which the Offer relates, stating that Supplier desires to and is ready, willing and able to accept such Third Party Offer; and (B) deliver to MFI a copy of such Third Party Offer and any document collateral or incidental thereto.

- (ii) The Third Party Offer Notice will be deemed to constitute an offer (“**Offer to Sell**”) by Supplier to sell to MFI the Facilities, the part thereof or the interest therein described in the Third Party Offer for a price (the “**Price**”) equal to the purchase price payable pursuant to the Third Party Offer.
 - (iii) The Offer to Sell may not be withdrawn by Supplier until the expiration of [*Redacted – Commercially Sensitive Information*] days following the date that the Third Party Offer Notice is received by MFI (the “**Acceptance Date**”), unless prior to the expiration of such time the Offer to Sell is rejected by MFI in writing.
 - (iv) Upon receipt of the Third Party Offer Notice, MFI will have the exclusive first right and option, exercisable up to but not after the Acceptance Date to purchase the Facilities, a portion thereof or interest therein as described in the Third Party Offer Notice, by delivering to Supplier written notice (“**Acceptance**”) that MFI wishes to purchase the Facilities as described in the Third Party Offer Notice for the Price and upon the terms and conditions set forth in such Third Party Offer.
 - (v) Upon receipt by Supplier of an Acceptance on or prior to the Acceptance Date, a binding contract of purchase and sale for the Facilities as described in the Third Party Offer will be formed between Supplier and MFI, which contract will be completed in accordance with such Third Party Offer as if MFI were the Third Party and in accordance with this Agreement.
 - (vi) If Supplier does not receive the Acceptance on or prior to the Acceptance Date or if MFI rejects the Offer to Sell by a notice in writing to Supplier on or prior to the Acceptance Date, then Supplier will be entitled to complete the sale as described in the Third Party Offer Notice to the Third Party in accordance with the terms and conditions set out in the Third Party Offer, provided that such sale must be completed within [*Redacted – Commercially Sensitive Information*] days after the Acceptance Date (or such longer period required to obtain any necessary regulatory approvals), failing which any subsequent sale of the Facilities, a portion thereof or an interest therein to any Person may only be made if all the requirements of this Section 11.05(c) are again complied with and the right of first refusal contained in this Section 11.05(c) will survive and continue in full force and effect.
- (d) Neither this Agreement nor any rights or obligations hereunder shall be assignable by MFI without the prior written consent of Supplier, not to be unreasonably withheld or delayed. Any direct or indirect change of control of MFI shall not

constitute an assignment by MFI, and for clarity any such transaction shall be permitted without notice to, or consent of, Supplier.

- (e) Subject to the foregoing provisions of this Section 11.05, this Agreement shall enure to the benefit of and be binding upon the Parties and their respective representatives, successors and permitted assigns.

11.06 Further Assurances

The Parties hereto shall, with reasonable diligence, provide such further documents or instruments required by the other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

11.07 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by facsimile, e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

11.08 Non-Merger

The representations, warranties, covenants and indemnities contained in this Agreement which, in order to effective, must survive the expiration or termination of this Agreement, shall survive any such expiration or termination of this Agreement, including Sections 4.04(a), 4.04(c), 4.04(d), and 4.04(e).

11.09 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in that Province and will be treated, in all respects, as an Ontario contract.

11.10 Independent Parties

The Parties hereto are independent contractors and nothing in this Agreement shall create or be deemed to create a relationship of partners, joint venturers, fiduciary, principal and agent or any other relationship between the Parties.

11.11 Severability

If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination, the Parties shall negotiate in a commercially reasonable manner to modify this Agreement so as to effect the original intent of the Parties as

closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

[EXECUTION PAGE FOLLOWS; REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF the parties hereto have hereunto duly executed this Agreement as of the date first written above.

MAPLE LEAF FOODS INC.

By: (signed) "Suzanne Hathaway"
Name: Suzanne Hathaway
Title: Senior Vice President,
General Counsel, Communications
and Corporate Secretary

By: (signed) "David Smales"
Name: David Smales
Title: Chief Financial Officer

CANADA PACKERS INC.

By: (signed) "Dennis Organ"
Name: Dennis Organ
Title: President and Chief Executive Officer

By: (signed) "Deepak Bhandari"
Name: Deepak Bhandari
Title: Chief Financial Officer

SCHEDULE A

STUB PERIOD HOG FORECAST AND STUB PERIOD SKU FORECAST

[Redacted – Commercially Sensitive Information]

SCHEDULE B

PRICING

[Redacted – Commercially Sensitive Information]

SCHEDULE C

EXCLUDED CUSTOMERS

[Redacted – Commercially Sensitive Information]

SCHEDULE D

ANNUAL GRID (RWA)

[Redacted – Commercially Sensitive Information]

SCHEDULE E

INTELLECTUAL PROPERTY

[Redacted – Commercially Sensitive Information]

SCHEDULE F

TRADEMARKS

[Redacted – Commercially Sensitive Information]