

McCain Foods USA, Inc. Customer Order and Logistics Policies

Customer Agreement: This Policy forms part of any agreement between McCain and the customer and applies to all transactions that involve the manufacture and sale by McCain of products purchased directly or indirectly from McCain by the customer.

Pricing: McCain's pricing assumes that orders and shipments of food service products will be carried out in accordance with the standards and requirements in this Policy. Non-compliance by the customer may cause McCain to incur additional costs, for which reasonable reimbursement will be due to McCain including those as set out below.

Order Placement: McCain requires a minimum of 5 business days lead time for Customer Pick Up (CPU) orders and 7 business days lead time for Delivered Orders from order date to ship date, and at least 48 hours (by 3pm Central Time) notification prior to the scheduled ship date for order revisions. The original order date is considered day zero. Orders received after 3pm Central Time will be considered received the following business day.

McCain will endeavor to comply with the requested delivery date for all orders or revisions of orders but may in some instances be restricted by product availability, carrier and timing limitations. If a Delivered Order does not meet full truckload criteria McCain may ship on a multi-drop truck or via a Less than Truck Load (LTL) carrier which may affect the requested delivery date and time. Order and order revisions falling outside of the required lead-times set out above will not be included in any calculation of fill rates or any on time delivery performance metrics. All orders are usually processed within one business day of receipt through McCain's SAP system, but processing may be delayed by matters involving order inaccuracy, Customer credit issues, pricing inaccuracies and the like. LTL orders must be submitted on the pool cutoff date* and will deliver as specified by the pool schedule for that specific warehouse.

**Please contact your McCain Customer Service Coordinator for specific pool shipment details*

Order Requirements: Each customer order is required at minimum to include the desired ship to destination, requested delivery date, UPC or McCain Product Code, pricing, and must meet Order Size minimums as set out below.

All orders and invoices should be exchanged with McCain via Electronic Data Interchange (EDI). At a minimum, customers are requested to utilize the industry standard EDI 850/875 transaction sets for Purchase Orders and receive the EDI 810/880 transaction sets for Invoices. If a customer is unable to order via EDI, the customer must use a standard order template provided by McCain Customer Service. Special instructions (if any) must be added to the text of the order prior to transmitting to McCain (ex. ship with orders, loading sequence, receiving hour limitations).

Claims Process: The customer's receiver must document any and all order discrepancies on the Bill of Lading at time of receipt including overages, shortages, immediately identifiable damages or other claims. Contact your McCain Customer Service Coordinator with any questions or concerns you may have surrounding discrepancies on your order.

Order Size: Product pricing is calculated on a full truckload delivered basis, and McCain reserves the right to recover any financial impact it incurs associated with less than full truckload orders. A full truckload is defined as 43,500 lbs. gross or 2400 cu ft., whichever measurement is reached first. Unless otherwise agreed, the Order size and scheduling is subject to the following:

1) **Less than full load orders:**

McCain reserves the right to combine orders if a customer submits multiple less than truckload size orders to one ship location within a given week.

Customers ordering less than full load orders risk modification to the order delivery date and time by McCain without prior authorization.

2) **Minimum orders:**

Orders must be a minimum of 5,000 pounds or 250 cu ft, whichever measurement is reached first. Customer Service can assist with the layer quantities and pallet heights for ordered items.

Exceptions must be requested in writing to your Customer Development Manager, and are subject to approval by the appropriate Sales Director and the Director of Customer Service or Director of Logistics.

3) **Pallet Level Ordering Increments:**

Some products are required to be ordered in increments of full pallet quantities; your McCain representative will provide details on specific items

Delivered Orders:

1) **Delivery Appointments** - All deliveries are to be against confirmed customer warehouse unloading appointments scheduled on a two hour live-unload basis.

2) **Delivery Delay** - As driver safety is paramount, McCain will not pay customer late delivery or no show fees for weather delays and road closures or other causes beyond McCain's control.

3) **Unloading** - The customer must complete unloading of all loads within two hours of an on time arrival. Customer is subject to a minimum cost recovery fee of \$75 per hour for each hour or part thereof beyond the scheduled two hour unloading window.

4) **Shipments Delay** - If the customer refuses to receive or reschedules an order after the trailer delivering that order is loaded, Customer will be subject to a minimum cost recovery fee of \$75 per hour of delay up to a maximum of \$500 for the first

twenty four hours, plus \$500 per day for full truckloads and \$1000 per day for partial truckload for every partial or full day of delay thereafter.

Customer Pick Up Scheduling: Orders for pick up are transmitted to the designated McCain pick up location at least 72 hours prior to the requested pick up date. McCain does not guarantee the availability of requested dates and times. Orders picked up by customer or customer's designated carrier are also subject to the McCain Customer Pickup Policy attached hereto.

Effective Date of Fees: This Policy, and all fees or costs referenced herein above are effective as of July 1, 2018, payable immediately upon receipt of an invoice pertaining thereto.

Return Policy: All sales of McCain products are final upon receipt by the Customer. McCain does not accept returns unless shipped in error, or returned at the direction of McCain for matters relating to food safety.

Logistics Program: Customer must contact McCain at least 30 days in advance to change from a delivered program to a customer pick up program or vice versa. Customer must remain in a program for at least 12 months before McCain will consider further requests.