

Coca-Cola Canada Bottling Limited

Terms & Conditions of Sale

By signing or by accepting delivery of products (Products) from Coca-Cola Canada Bottling Limited (CCCBL), Customer hereby accepts the following terms and conditions of sale (Terms) and agrees that they supersede any other terms from Customer and apply to every sale of Products unless otherwise agreed to in writing by an authorized officer of CCCBL. No amendments to the Terms may be made except in writing and signed by an authorized officer of CCCBL.

Payment Terms: Payment in full is due within twenty (20) calendar days of the date of this invoice. Interest at 1½% per month (a nominal rate of 18% per annum and an effective rate of 19.56% per annum compounded monthly) will be charged on past due accounts, subject to applicable law. All payments shall be made in Canadian currency.

Transshipment: Customer agrees not to distribute, or to allow others to distribute, CCCBL's Products, directly or indirectly, outside of Canada. Sale of any CCCBL Product to a known or suspected exporter for shipments outside Canada is prohibited by CCCBL. In addition, Customer acknowledges that the sale in Canada of Products imported by Customer or third parties may violate applicable law. Transshipment will be grounds for termination of any funding or marketing program and of further sales to Customer. Customer shall be responsible for and agrees to reimburse CCCBL for any transshipment charges incurred by CCCBL in connection with any Products sold to Customer.

Quantities: CCCBL reserves the right to limit quantities sold to Customer and/or to impose minimum order requirements.

Retail Sales Only: CCCBL's Products are for retail distribution within Canada only and may not be resold on a wholesale basis. Unless otherwise agreed by CCCBL in writing, Customer agrees that it shall not make sales other than at retail to final consumers. Funding and/or discounts may be withheld and further sales terminated if Customer makes non-retail sales.

No Combining Offers: Customers purchasing under a CCCBL sales or marketing program may not combine offers with other CCCBL programs. Products offered to members of a franchise or buying group under a master supply agreement with CCCBL may only be purchased by the franchisees or buying group members, as the case may be, for retail sale at the specified outlets.

Deductions: Customer shall not set off or deduct any amounts from its payments owing to CCCBL without the prior written consent of CCCBL.

CCCBL Set-off: CCCBL reserves the right, in addition to any other rights or remedies available in law or equity, to withhold any amounts that may be owed by CCCBL to Customer (including without limitation allowance rebates or marketing funds), or offset such amounts against present or future amounts owing by Customer to CCCBL.

Returns: Product returns, where permitted under applicable CCCBL policies, will be priced based upon the price at which the Product was purchased by Customer.

Shell Returns: If Product is delivered on plastic shells, Customer shall timely return such shells to CCCBL. If shells are lost or not timely returned to CCCBL, CCCBL reserves the right to charge Customer for such shells at their cost.

Pallets: CCCBL may, in its sole discretion, refuse to deliver pallets to Customer if Customer is not a CHEP participating member. Where CCCBL delivers pallets, Customer shall promptly report pallet receipt and subsequent movements to CHEP.

Termination: Nothing herein shall require CCCBL to sell Products to Customer. These Terms may be changed by CCCBL in its sole discretion either with the next delivery or upon written notice given prior to the next delivery of Products to Customer at Customer's address shown on Customer's most recent invoice.

Limitation Period: Invoices, including pricing, provided to Customer and signed by Customer shall be presumed correct unless CCCBL receives a written objection within twenty (20) days from the date of delivery. Any disputes with regard to any invoice, marketing program or other aspect of the parties' relationship must be raised by Customer within twenty (20) days from the date of invoice, the end of the program period or other applicable event. CCCBL will deal only with Customer in the settlement of disputes and will not deal with Customer's agents or any other third party, including without limitation, third party auditing firms.

Arbitration: At CCCBL's election, any dispute arising out of or relating to these Terms or any other aspect of the parties' relationship, including the breach, termination or validity thereof, shall be finally resolved by arbitration before a single arbitrator in accordance with the Simplified Arbitration Rules of the ADR Institute of Canada, Inc. in effect as of the date the matter is referred to arbitration. Any such arbitration shall proceed in accordance with the provisions of the *Arbitration Act, 1991* (Ontario).

Suggested Retail Pricing: References to retail pricing are suggestions only. Retailers may sell for less.

GST: G.S.T. Reg #R121928881

General: All sales and deliveries of all Products by CCCBL to Customer shall be governed by and subject to these Terms, and each of the following, if and as applicable: (a) CCCBL's pricing and promotion letters; (b) any calendar marketing or other funding agreement entered into in writing between the parties; (c) CCCBL's equipment placement agreements; and (d) CCCBL's Credit Application and its terms and conditions. These Terms shall be governed by and construed in accordance with the laws of the Province of Ontario and Federal laws of Canada applicable therein.