

Standard Terms and Conditions for Contract Brewing and Canning

1. DELIVERY AND ACCEPTANCE

- 1.1. Fourpure will deliver the Products to Product Owner on an Ex-Works basis (Incoterms 2020). For the avoidance of doubt, 'Delivery' refers to the collection of the Products by the Product Owner from Fourpure's premises.
- 1.2. Both parties acknowledge and agree that due to the nature of the production process the final date of delivery and final quantity is subject to change at any time until delivery. If Delivery is delayed for any reason Fourpure will not be responsible or liable to Product Owner or any other party for any loss or damage suffered due to that delay.
- 1.3. Risk in the Products passes from Fourpure to Product Owner when Fourpure has loaded the Products onto Product Owner's collecting vehicle pursuant to this clause.
- 1.4. Product Owner must inspect the Products within two (2) working days of the Products being delivered ("Inspection Period"). If Product Owner fails to carry out such inspection within the Inspection Period, it is deemed to have accepted compliance of the Products with the Product Specifications.
- 1.5. If, during the Inspection Period, Product Owner reasonably considers that Products delivered to Product Owner by Fourpure do not comply with the Product Specifications and that the relevant non-compliance occurred during the manufacture or storage of the Product by Fourpure prior to Delivery of the Products ("Non-Complying Products"), then Product Owner must within two (2) working days from the completion of the Inspection :
 - 1.5.1. notify Fourpure of the alleged Non-Complying Products and the details of the alleged non-compliance;
 - 1.5.2. at Product Owner's cost, isolate all Non-Complying Products delivered in the same case and, in Product Owner's discretion, also isolate additional cases (as appropriate and acting reasonably) from the same delivery which were consecutively produced either side of the case carrying the Non-Complying Products; and
 - 1.5.3. allow Fourpure (or its agent or representative) to inspect the Non-Complying Products which have been isolated by Product Owner.
- 1.6. If, after inspection of the alleged Non-Complying Products, Fourpure (acting reasonably and in good faith) agrees that the alleged Non-Complying Products are Non-Complying Products, Fourpure will determine whether or not the Non-Complying Products are still fit for sale, and:
 - 1.6.1. If the Non-Complying Products are fit for sale, Fourpure will, acting in good faith, apply a discount on the Contract Price for the Non-Complying Products.
 - 1.6.2. If the Non-Complying Products are not fit for sale, Fourpure will refund to the Product Owner an amount equal to the cost of the raw materials used to produce the Non-Complying Products, however Fourpure will not be liable for costs or losses resulting from lost sales, margin or brand equity in any circumstances or any consequential loss or damage incurred by Product Owner.
- 1.7. If, after inspection of the alleged Non-Complying Products Fourpure (acting reasonably and in good faith) does not agree with Product Owner that any of the Products isolated by Product Owner are Non-Complying Products, then the parties shall engage a third party company such as Campden BRI to perform analysis to determine the cause of the alleged non-compliance. Where such independent analysis determines that the Products isolated by Product Owner are not Non-Complying Products, Product Owner must reimburse the reasonable costs incurred by Fourpure in respect of the alleged non-compliance.
- 1.8. In the event that after the end of the Inspection Period the Products degrade in a way or at a rate which would not reasonably be expected, the parties shall work together in good faith to investigate the cause of the degradation. Fourpure may, in its sole discretion, agree to share some of the costs incurred by the Product Owner in relation to any such Products.
- 1.9. In the event that the Product Owner is required to issue a product recall for any Non-Complying Products ("Recalled Products"), both parties will work together in good faith to minimise both the cost and impact of such product recall, and where Product Owner demonstrates that the cause of the product recall was that the Recalled Products do not meet agreed Product Specifications due to fault or negligence by Fourpure, Fourpure will bear the costs of the product recall in relation to transportation and costs of the destruction of Recalled Products, however Fourpure will not be liable for costs or losses resulting from lost sales, margin or brand equity in any circumstances or any consequential loss or damage incurred by Product Owner.

2. PRICE AND TERMS OF PAYMENT

- 2.1. Product Owner shall pay to Fourpure the Contract Price. All other costs, including the costs for line set ups, liquid/packaging trials and origination costs will be invoiced to, and borne by, the Product Owner.
- 2.2. On Delivery of the Products Fourpure will provide Product Owner with an invoice for finished Products. Fourpure will collate all additional and incidental costs and provide Product Owner with an invoice for such costs.
- 2.3. Without prejudice to the other rights, powers and remedies of either party under this Agreement, if any money owing by the Product Owner to Fourpure pursuant to this Agreement remains unpaid for 10 working days after the due date for payment, Fourpure may at its discretion apply interest to the amount owing at a rate of 4% above the base rate of the Bank of England, computed on a daily basis from, but excluding, the due date until payment in full of such money.

3. INTELLECTUAL PROPERTY

- 3.1. In this clause "Intellectual Property Rights" means know-how, patents, designs, copyright, trade marks, trade names, logos and other intellectual property rights (whether registered or not) which are owned exclusively by Product Owner or a related company thereof and relates to the production and packaging of the Products, including all registered trade marks held by and all trade mark applications owned by or licensed to Product Owner in relation to the Products.
- 3.2. Product Owner grants Fourpure a non-exclusive, royalty-free licence to use the Intellectual Property Rights and the Product Specifications in order to produce and/or package the Products (as applicable).
- 3.3. For the avoidance of doubt, Fourpure accepts no responsibility for the content of any packaging design and copy including but not limited to compliance thereof with any applicable regulations and industry codes and the accuracy of any claims made thereon.
- 3.4. Product Owner indemnifies Fourpure against all liability, costs and expenses arising from a claim against Fourpure which results from a breach by Product Owner of any third party's intellectual property rights in carrying out this agreement.

4. TERMINATION

Fourpure may terminate this Agreement without cause by providing four (4) weeks written notice to the Product Owner.

5. ASSIGNMENT

Neither party may assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under this agreement without the prior written consent of the other party (such consent not to be unreasonably withheld or delayed).

6. CONFIDENTIALITY

The Product Owner shall not disclose the existence of this Agreement or its contents in any manner whatsoever to any person other than its officers and professional advisers except to the extent: (a) required by law; (b) that the parties otherwise agree in writing; (c) necessary to obtain the benefit of, or to carry out the obligations under, this Agreement. The provisions of this clause shall survive the termination or expiration of this Agreement.

7. INDEMNITY

The Product Owner indemnifies Fourpure from and against all costs, claims, damages, losses, liabilities or expenses (including legal expenses on a solicitor client basis) incurred by Fourpure as a result of any action, demand, claim or proceeding against Fourpure arising directly or indirectly out of, or in connection with, any act or omission of the Product Owner, a director or any employees or agents of the Product Owner, or any breach of the terms of this Agreement by the Product Owner.

8. Force Majeure

A party shall not be liable for failure or inability to perform its obligations under this agreement where such failure or inability is due to any event or circumstance which is beyond the reasonable control of that party and which that party could not take reasonable measures to prevent including but not limited to fire, flood, storm, explosion, epidemic or acts of God, war, hostilities, serious civil disorder, terrorist attack or revolution ("Force Majeure Event").

9. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement, understanding and arrangement (express and implied) between the parties relating to the subject matter of this Agreement and supersedes and cancels any previous agreement, understanding or arrangement relating thereto whether written or oral.

10. GOVERNING LAW

This Agreement and the transactions contemplated by this Agreement are governed by the law in force in England and Wales and the parties agree to submit to the exclusive jurisdiction of the courts of England and Wales.