UNITED DAIRY FARMERS, INC.
PURCHASE ORDER TERMS AND CONDITIONS

1. Applicability.

(a) These Purchase Order Terms and Conditions (the "**Terms**") govern any purchase order issued by United Dairy Farmers, Inc. ("**UDF**") that incorporates these Terms by reference (the "**Purchase Order**"). The delivery of the Purchase Order to the party identified as vendor or seller in the Purchase Order (the "**Vendor**") is an offer by the UDF for the purchase of goods specified in the Purchase Order (the "**Goods**") from Vendor in accordance with and subject to these Terms. The Terms together with the terms of the Purchase Order are referred to herein as the "**Order**". These Terms apply to all Orders, whether issued in paper, electronic, or EDI format.

(b) The Order, together with any documents incorporated therein by reference, constitutes the sole and entire agreement of the parties with respect to the Order, and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the subject matter of the Order. The Order expressly limits Vendor's acceptance to the terms of the Order. The Order's terms and conditions prevail over any terms or conditions contained in any other documentation and expressly exclude any of Vendor's general terms and conditions of sale or any other document issued by Vendor in connection with the Order.

(c) These Terms apply to any repaired or replacement Goods provided by Vendor hereunder.

(d) UDF is not obligated to any minimum purchase or future purchase obligations under the Order.

2. Acceptance. The Order is not binding on UDF until Vendor accepts the Order by providing a written confirmation to UDF (email acceptable), or signing and returning the Purchase Order. Vendor's commencement of performance or shipment of Goods shall constitute acceptance of the Order, even if written confirmation is not provided. If Vendor does not accept the Order within two (2) business days of Vendor's receipt of the Order, the Order will lapse. UDF may withdraw the Order at any time before it is accepted by Vendor.

3. Delivery Date. Subject to Section 4, Vendor shall deliver the Goods in the quantities and on the date(s) specified in the Purchase Order; if no delivery date is specified in the Purchase Order, Vendor shall deliver the Goods within ten (10) days of Vendor's receipt of the Purchase Order (the "**Delivery Date**"). Timely delivery of the Goods is of the essence. If Vendor fails to deliver the Goods in full on the Delivery Date, UDF, in its sole option, may: (a) agree in writing to a different Delivery Date; (b) terminate the Order immediately, without liability to Vendor, by providing written notice to Vendor, and Vendor shall indemnify UDF against any losses, claims, damages, and reasonable costs and expenses attributable to Vendor's failure to deliver the Goods on the Delivery Date; or (c) if Vendor fails to deliver on time, UDF may procure substitute goods and Vendor shall reimburse UDF for any excess costs incurred. UDF has the right to return any Goods delivered prior to the Delivery Date at Vendor's expense, and Vendor shall redeliver such Goods on the Delivery Date.

4. Quantity. If Vendor delivers more than the quantity of Goods ordered, UDF may reject any or all excess Goods. Any such rejected Goods shall be returned to Vendor at Vendor's risk and expense. The total Price (as hereinafter defined) for the Goods shall be adjusted on a pro-rata basis to include any excess Goods not rejected by UDF. Vendor shall not deliver to UDF less than the quantity of Goods ordered except with UDF's express prior written consent, which may be withheld in UDF's discretion. UDF may reject any shipment that is less than the quantity ordered, and may, at its option, terminate the Order or require immediate fulfillment of the shortfall at Vendor's expense.

5. Delivery Point. The Vendor shall deliver the Goods to the address specified in the Purchase Order (the "**Delivery Point**") during UDF's normal business hours or as otherwise instructed by UDF.

6. Shipping Terms. Delivery shall be made at the Delivery Point in accordance with the terms in the Purchase Order. Unless otherwise agreed in writing, delivery shall be Delivered Duty Paid (DDP) UDF's designated location, as specified by the Purchase Order.

(a) UDF reserves the right to inspect Goods at Vendor's facility prior to shipment, in UDF's discretion.

(b) Title passes to UDF upon delivery of the Goods to the Delivery Point. Vendor bears all risk of loss or damage to the Goods until delivery of the Goods to the Delivery Point.

(c) Vendor shall be responsible for arranging the shipping of the Goods to UDF according to UDF's instructions or, if there are no instructions, in a manner sufficient to ensure that the Goods are timely delivered in undamaged condition and in compliance with the terms and conditions of the Order, industry standard, and applicable law. Vendor shall pay all costs of carriage and insuring the Goods in transit to the Delivery Point. Unless otherwise specified in the Purchase Order, the Price (defined below) includes all packaging and transportation costs to the Delivery Point.

(d) Vendor shall give written notice of shipment to UDF when the Goods are delivered to a carrier for transportation. Vendor shall provide UDF all shipping documents, including, but not limited to, the commercial invoice, packing list, bill of lading, and any other documents necessary to release the Goods to UDF within one (1) business day after Vendor delivers the Goods to the transportation carrier. The Purchase Order number must appear on all shipping documents, shipping labels, bills of lading, invoices, correspondence, and any other documents pertaining to the Order.

(e) Unless otherwise specified in the Purchase Order, Vendor may not make partial shipments of Goods to UDF.

(f) All goods shall be packed for shipment in accordance with applicable law and industry standards and according to UDF's instructions or, if there are no instructions, in a manner sufficient to ensure that the Goods are delivered in undamaged condition. Vendor must provide UDF prior written notice if it requires UDF to return any packaging material. Any return of such packaging material shall be made at Vendor's expense.

7. Amendment and Modification. No change to the Order is binding upon UDF unless it is in writing, specifically states that it amends the Order, and is signed by an authorized representative of UDF. UDF may unilaterally amend the Order, by providing proper Notice (as hereinafter defined) to Vendor, to: (a) comply with changes in applicable law or regulation; or (b) avoid frustration of the Order's purpose due to a material, unanticipated change in circumstances.

8. Inspection and Rejection of Nonconforming Goods. The UDF has the right to inspect the Goods on or after the Delivery Date. UDF, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if it determines the Goods are damaged, defective, or otherwise nonconforming. If UDF rejects any portion of the Goods, UDF has the right, at its sole option and effective upon written notice to Vendor, to: (a) terminate the Order in its entirety, without liability to Vendor; (b) accept the Goods at a reasonably reduced price; or (c) require replacement of the rejected Goods. UDF may, at Vendor's expense, destroy or dispose of nonconforming Goods that are hazardous, perishable, or otherwise unsuitable for return. If UDF requires replacement of the Goods, Vendor shall, at its risk and expense, promptly replace the rejected Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the rejected Goods and the delivery of replacement Goods. If Vendor fails to timely deliver replacement Goods, UDF may replace them with goods from a third party and charge Vendor the cost thereof and terminate the Order for cause pursuant to Section 17. Any exercise by UDF of its rights and remedies under this Section 8 shall not reduce Vendor's obligations or UDF's rights and remedies under the Order or applicable law, and UDF shall have the right to conduct further inspections after Vendor has carried out any remedial actions.

9. <u>Price</u>. The price of the Goods is the price stated in the Purchase Order (the "**Price**"). If no price is included in the Purchase Order, the Price shall be the price set out in Vendor's published price list in force as of the date of the Order. Unless otherwise specified in the Order, the Price includes all fees and applicable taxes, including, but not limited to, all sales, use or excise taxes. If Vendor's published prices decrease prior to delivery, UDF shall be entitled to the lower price. No increase in the Price is effective, whether due to increased material, labor, or transportation costs or otherwise, without the prior written consent of UDF.

10. <u>Payment Terms</u>. Vendor shall issue an invoice to UDF on or any time after the completion of delivery and only in accordance with the Terms. UDF shall pay all properly invoiced and undisputed amounts due to Vendor within thirty (30) days after UDF's receipt of such invoice. UDF shall be entitled to a two percent (2%) discount for payments made within ten (10) days of invoice receipt. days In the event of a payment dispute, UDF shall deliver a written statement to Vendor no later than three (3) days prior to the date payment is due on the disputed invoice listing all disputed items and providing a reasonably detailed description of each disputed item. Amounts not so disputed are deemed accepted and must be paid, notwithstanding disputes on other items, within the period set forth in this Section 10. The parties shall seek to resolve all such disputes expeditiously and in good faith. Vendor shall continue performing its obligations under the Order notwithstanding any such dispute.

11. <u>Setoff</u>. Without prejudice to any other right or remedy it may have, UDF reserves the right to set off any amount owing to it by Vendor against any amount payable by UDF to Vendor. 12. <u>Warranties</u>. Vendor represents, warrants, and covenants to UDF that:

(a) for a period of three (3) months from the Delivery Date; for equipment, a period of twelve (12) months from the date of installation or first use, whichever is later; or such longer period as may be specified in the Purchase Order, all Goods will: (i) be manufactured in accordance with good manufacturing practices prevailing in the industry, be free from any defects in workmanship, material, and design; (ii) conform to applicable specifications; (iii) be fit and safe for their intended purpose and operate as intended; and (iv) be merchantable;

(b) no claim, lien, or action exists or is threatened against Vendor that would interfere with UDF's use or sale of the Goods;

(c) the Goods do not and will not infringe or misappropriate any third party's patent or other intellectual property rights;

(d) UDF will receive good and valid title to the Goods, free and clear of all encumbrances and liens of any kind;

(e) Vendor shall provide proper Notice (as hereinafter defined) to UDF and relevant authorities if any of the Goods are subject to a recall due to safety or regulatory concerns, and will cooperate fully in any recall process, including retrieving the affected goods from the market and issuing refunds or replacements, and Vendor shall bear all costs associated with such recall;

(f) the goods comply with all applicable food safety, labeling, and regulatory requirements, including Food and Drug Administration (FDA), United States Department of Agriculture (USDA), and state laws; and

(g) Vendor shall provide proper Notice (as hereinafter defined) to UDF of any actual or suspected contamination, regulatory action, or other event that may affect the Goods.

These warranties survive any delivery, inspection, acceptance, or payment of or for the Goods by UDF. These warranties are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of UDF's discovery of the noncompliance of the Goods with the foregoing warranties. If UDF gives Vendor notice of noncompliance with this Section, in addition to other remedies available to UDF under the Order or at law or equity, Vendor shall, at its own cost and expense, promptly replace the defective or nonconforming Goods and pay for all related expenses, including, but not limited to, transportation charges for the return of the defective or nonconforming goods to Vendor and the delivery of replacement Goods to UDF.

13. General Indemnification. Vendor shall defend, indemnify, and hold harmless UDF, its subsidiaries, affiliates, successors or assigns, and its directors, officers, shareholders, managers, members, advisors, employees (collectively, "**Indemnitees**") against any and all loss, injury, death, damage, liability, claim, deficiency, action, judgment, interest, award, penalty, fine, cost, or expense, including, but not limited to, reasonable attorney and professional fees and costs and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers (collectively, "**Losses**"), arising out of or occurring in connection with the Goods or Vendor's negligence, willful misconduct, or breach of the Order. Vendor shall defend, indemnify, and hold harmless the Indemnitees against any and all claims, losses, or recalls arising from contamination, adulteration, or mislabeling of the Goods. Vendor shall not enter into any settlement without UDF's or, as applicable, another Indemnitee's prior written consent.

14. Intellectual Property Indemnification. Vendor shall, at its expense, defend, indemnify, and hold harmless UDF and any other Indemnitee against any and all Losses arising out of or in connection with any claim that UDF's or such Indemnitee's use or possession of the Goods infringes or misappropriates the patent, copyright, trade secret, or other intellectual property right of any third party. In no event shall Vendor enter into any settlement without UDF's or, as applicable, another Indemnitee's prior written consent.

15. Insurance. During the term of the Order and for a period of three (3) years thereafter, Vendor shall, at its own expense, maintain and carry insurance in full force and effect which includes, but is not limited to, commercial general liability (including but not limited to product liability) with limits no less than $1,000,000 for each occurrence and $5,000,000 in the aggregate with financially sound and reputable insurers. Vendor shall maintain product recall insurance with limits not less than $500,000. Upon UDF's request, Vendor shall provide UDF with a certificate of insurance from Vendor's insurer evidencing the insurance coverage specified in this Section 15. The certificate of insurance shall name UDF as an additional insured for all insurance coverage specified in this Section 15. Vendor shall provide UDF with thirty (30) days' advance written notice in the event of a cancellation or material change in Vendor's insurance policy. Except where prohibited by law, Vendor shall require its insurer to waive all rights of subrogation against UDF's insurers, UDF, and any other Indemnitees.

16. Compliance with Law. Vendor is in compliance with and shall comply with all applicable laws, regulations, and ordinances. Vendor has and shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to carry out its obligations under the Order. UDF may audit Vendor's facilities, records, and processes to verify compliance with this Order and applicable law.

17. Termination. UDF may terminate the Order, in whole or in part, at any time with or without cause for undelivered Goods on ten (10) days' prior written notice to Vendor. In addition to any other remedies that may be provided under these Terms or otherwise, UDF may terminate the Order with immediate effect upon written notice to the Vendor if Vendor has not performed or complied with the Order, in whole or in part. UDF may terminate the Order immediately if Vendor is subject to regulatory investigation, recall, or any event that may adversely affect UDF's reputation. If the Vendor becomes insolvent, is generally unable to pay, or fails to pay, its debts as they become due, files a petition for bankruptcy, or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization, or assignment for the benefit of creditors, then the UDF may terminate the Order upon written notice to Vendor. If UDF terminates the Order for any reason, Vendor's sole and exclusive remedy is payment for the Goods received and accepted by UDF prior to the termination.

18. Waiver. No waiver by any party of any of the provisions of the Order shall be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in the Order, no failure or delay in exercising any right, remedy, power, or privilege arising from the Order shall operate or be construed as a waiver thereof.

19. Confidential Information. All non-public, confidential, or proprietary information of the UDF, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by UDF to Vendor, whether disclosed orally or disclosed or accessed in written, electronic, or other form or medium, and whether or not marked, designated, or otherwise identified as "confidential," in connection with the Order is confidential, may only be used for the purpose of

performing the Order and may not be disclosed unless authorized by UDF in writing. Upon UDF's request, Vendor shall promptly return all documents and other materials received from UDF. UDF shall be entitled to injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in the public domain; (b) known to the Vendor at the time of disclosure; or (c) rightfully obtained by the Vendor on a non-confidential basis from a third party. Confidentiality obligations shall survive for at least five (5) years after termination or expiration of the Order.

20. Force Majeure. No party shall be liable or responsible to the other party, or be deemed to have defaulted under or breached the Order, for any failure or delay in fulfilling or performing any term of the Order, when and to the extent such party's (the "**Impacted Party**") failure or delay is caused by or results from the following force majeure events ("**Force Majeure Event(s)**"): (a) acts of God; (b) flood, fire, earthquake, epidemics, pandemics, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or action; (e) embargoes or blockades in effect on or after the date of this Agreement; (f) national or regional emergency; (g) strikes, labor stoppages or slowdowns or other industrial disturbances; and (h) shortage of adequate power or transportation facilities. The Impacted Party shall give notice within ten (10) days of the Force Majeure Event to the other party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. If Vendor is affected by a Force Majeure Event, UDF may procure substitute goods from other sources without liability. In the event that the Impacted Party's failure or delay remains uncured for a period of thirty (30) days following written notice given by it under this Section 20, either party may thereafter terminate this Agreement upon ten (10) days' written notice.

21. Assignment. Vendor shall not assign, transfer, delegate, or subcontract any of its rights or obligations under the Order without the prior written consent of UDF. Any change of control of Vendor shall be deemed an assignment requiring UDF's prior written consent. Any purported assignment or delegation in violation of this Section 21 shall be null and void. No assignment or delegation shall relieve the Vendor of any of its obligations hereunder. UDF may at any time assign, transfer, delegate, or subcontract any or all of its rights or obligations under the Order without Vendor's prior written consent.

22. Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in the Order shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

23. No Third-Party Beneficiaries. The Order is for the sole benefit of the parties hereto and their respective successors and permitted assigns, and nothing in the Order, express or implied, is intended to or shall confer upon any other individual or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of the Order.

24. Choice of Law. All matters arising out of or relating to each Order, whether sounding in contract, tort, or statute, shall be governed by and construed in accordance with the internal laws of the State of Ohio, without giving effect to any choice or conflict of law provision or rule (whether of the State of Ohio or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than those of the State of Ohio.

25. Choice of Forum. Each party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other party in any way arising from or relating to the Order, including all exhibits, schedules, attachments, and appendices attached to the Order, and all contemplated transactions, including contract, equity, tort, fraud, and statutory claims, in any forum other than Southern District of Ohio or, if such court does not have subject matter jurisdiction, the courts of the State of Ohio sitting in County of Hamilton, and any appellate court from any thereof. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation, or proceeding only in the Southern District of Ohio or, if such court does not have subject matter jurisdiction, the courts of the State of Ohio sitting in the County of Hamilton. Each party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

26. Cumulative Remedies. The rights and remedies under each Order are cumulative and not exclusive, and the exercise by either party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the parties, or otherwise. Vendor shall reimburse UDF for all attorneys' fees and costs incurred in enforcing the Order or defending claims arising from Vendor's breach. Notwithstanding the foregoing, the parties intend that, if UDF terminates the Order in accordance with Section 17, Vendor's sole and exclusive remedy is the right to payment for the Goods received and accepted.

27. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a "**Notice**") shall be in writing and addressed to the parties at the addresses set forth in the Purchase Order or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), email (with confirmation of receipt), or certified or registered mail (return receipt requested, postage pre-paid). Except as otherwise provided in the Order, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section 17.

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

29. Survival. Subject to the limitations and other provisions of the Order: (a) the representations and warranties of the parties contained in the Order shall survive its expiration or earlier termination; and (b) the following provisions, as well as any other provision that, in order to give proper effect to its intent, should survive such expiration or termination, shall survive the expiration or earlier termination of the Order: Setoff, Warranties, General Indemnification, Intellectual Property Indemnification, Insurance, Compliance with Law, Confidential Information, Choice of Law, Choice of Forum, and Survival.