

SUPPLY AGREEMENT

This Supply Agreement (the "Agreement") is entered into on this 8th of June, 2024 ("Effective Date"),

BETWEEN: **Cherry Enterprises Inc.**, with an address of 123 Cherry Street, Cherryville, CA (hereinafter referred to as the "Supplier")

AND: **Fresh Mart Ltd.**, with its primary place of business located at 456 Orchard Avenue, Fruitland, CA (hereinafter referred to as the "Customer"), collectively referred to as the "Parties."

DESCRIPTION OF GOODS

Supplier agrees to supply to Customer, and Customer agrees to purchase from Supplier, the following goods and/or products:

1. Fresh Apples (Granny Smith)
2. Juicy Oranges (Valencia)
3. Ripe Bananas (Cavendish)
4. Crisp Pears (Bartlett)
5. Sweet Strawberries (Albion)
6. Plump Blueberries (Bluecrop)

(collectively referred to as the "Goods").

QUANTITY

The quantity of Goods to be supplied by Supplier, as well as any minimum or maximum order requirements, shall be as specified in individual purchase orders issued by Customer and accepted by Supplier, with minor fluctuations permitted based on seasonal availability.

DELIVERY SCHEDULE

Supplier shall endeavour to deliver the Goods to Customer according to the delivery schedule specified in each purchase order. Any slight variations in delivery time must be communicated promptly by Supplier to Customer, ensuring minimal disruption to operations. Any delays in delivery must be communicated promptly by Supplier to Customer, and should not exceed 7 business days.

INSPECTION

Customer has the right to inspect the Goods upon receipt and may reject any Goods that do not meet the agreed-upon specifications or quality standards, allowing for reasonable tolerance levels for natural variations in agricultural products. Rejected Goods must be returned to Supplier within 10 business days of receipt.

PRICE

The price for the Goods shall be as specified in each purchase order or as otherwise agreed upon in writing between the Parties. Unless explicitly stated in the purchase order, the price shall exclude any additional charges, taxes, or duties. Price changes must be communicated at least 30 days in advance.

INVOICING AND PAYMENT

Supplier shall issue invoices to Customer for the Goods delivered. Payment terms, including due dates and acceptable payment methods, shall be subject to mutual agreement in writing between the Parties. Payment should be made within 45 days of invoice receipt. Late payments will incur a 1.5% monthly interest charge.

TAXES

Unless stated otherwise in writing, Customer shall bear any applicable taxes, duties, or other charges associated with the acquisition of the Goods.

TERMINATION FOR CAUSE

Either Party reserves the right to terminate this Agreement promptly upon written notice if the other Party violates any significant term or condition, with a reasonable period for remedy not exceeding 10 days.

SUPPLIER WARRANTIES

Supplier represents and warrants that:

- The Goods will meet merchantable standards, conforming to agreed specifications, and be devoid of defects.
- The Goods will be free from any encumbrances or claims.
- Supplier possesses the requisite rights and permissions to provide the Goods.

INDEMNIFICATION

Supplier commits to indemnifying and absolving Customer from any claims, losses, damages, or liabilities linked to the supplied Goods, encompassing but not limited to product defects or infringement of intellectual property rights.

CONFIDENTIALITY

The Parties commit to maintaining the confidentiality of all information exchanged during this Agreement ("Confidential Information"). Such Confidential Information encompasses, but is not restricted to:

1. Technical Details: Including technical data, specifications, designs, blueprints, formulas, or processes pertaining to the Goods.
2. Financial Data: Encompassing pricing information, cost structures, profit margins, and any other financial particulars.

3. Business Strategies: Comprising business plans, marketing strategies, client rosters, and sales statistics.
4. Personal Records: Consisting of personal details regarding employees, contractors, or representatives of either Party.
5. Any Other Non-Public Information: Information not publicly available and marked as confidential by the disclosing Party.

The Parties agree to utilize Confidential Information solely for fulfilling their obligations under this Agreement and to undertake all reasonable precautions to prevent unauthorized disclosure or utilization.

GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of California, ensuring adherence to relevant legal frameworks.

DISPUTE RESOLUTION

Any disputes arising from or related to this Agreement shall be settled through negotiation and, if required, via mediation or arbitration following the protocols of the American Arbitration Association (AAA), prior to initiating litigation.

ENTIRE AGREEMENT

This Agreement represents the entire understanding between the Parties, supplanting all prior agreements, whether verbal or written. Any oral agreements or representations not expressly documented herein shall not be considered part of this Agreement and shall not bind either Party.

AMENDMENTS

Any modifications or amendments to this Agreement must be in writing and endorsed by both Parties to be considered valid.

IN WITNESS WHEREOF, the Parties hereto have executed this Supply Agreement as of the Effective Date.

SUPPLIER

John Doe
Signed (signature)

John Doe
Print Name

June 8, 2024
Date

CUSTOMER

Jane Smith
Signed (signature)

Jane Smith
Print Name

June 8, 2024
Date