

GENERAL TERMS & CONDITIONS OF SALE

The Terms & Conditions set forth below govern the sale by Brewers Supply Group, Inc. or any of its subsidiaries or affiliates (collectively, "BSG") of any goods (the "Products") and are exclusive of any additional or contrary provisions contained in any purchase order or other communication from the customer ("Customer") or any third party. Any inconsistency or conflict between the provisions of these Terms & Conditions and the provision set forth in any purchase order submitted by Customer or in any other document or agreement between Customer and BSG shall be resolved in favor of these Terms & Conditions.

- 1. AGREEMENT.** If Customer has not otherwise agreed to these Terms & Conditions, Customer's acceptance of delivery of, payment for, or use of the Products will constitute Customer's agreement to these Terms & Conditions.
- 2. PAYMENT TERMS.** Customer shall remit payment to BSG within the terms stated on the invoice for each shipment of Products. If Customer contends in good faith that any invoice is incorrect, Customer must so notify BSG within **7 days** after receipt of the invoice. If Customer does not so notify BSG, Customer forever waives the right to further dispute the accuracy of the invoice. Any payment not made when due shall accrue a **late charge of 1.5% per month** or, if lower, the maximum rate permitted by law. Customer shall reimburse BSG for any expenses, including reasonable attorneys' fees, incurred in the collection of any delinquent account or enforcing its rights hereunder.
- 3. DELIVERY AND RISK OF LOSS.** Delivery will be F.O.B. BSG's warehouse or other point of origin. BSG shall have no further responsibility for the Products, and all risk of damage to or loss or delay of the Products shall pass to Customer, upon their delivery to the F.O.B. point. BSG shall have the right to determine the method of shipment and routing of the Products, unless otherwise specified by Customer. Unless otherwise specified by BSG in writing, Customer shall pay such delivery charges as BSG may establish from time to time, which will be included on Customer's invoice. Delivery in a manner directed by Customer shall be at Customer's sole cost and expense. BSG shall not be liable for damages caused by delays in shipping or delivery for any reason whatsoever. Delay in the delivery of the Products shall not relieve Customer from the obligation to accept and pay for such Products.
- 4. DELIVERY TERMS SPECIFIC TO HOPS CONTRACTS.** BSG shall cause the Products to be shipped on or before the delivery date noted on this invoice (the "Schedule Delivery Date"); provided, however, that if Customer has given specific shipping instructions, then BSG shall have 30 days after receipt of such instructions to cause the Products to be shipped. Customer agrees BSG may make partial or full delivery(s) prior to the Scheduled Delivery Date. If the Products are delivered prior to the Scheduled Delivery Date, either at BSG's option or upon Customer's request, then Customer shall make payment for each such shipment in accordance with the payment terms described above. If Customer requests that BSG delay delivery until after the Scheduled Delivery Date, then BSG may charge Customer a monthly storage fee (at the prevailing market rate per pound of hops) for all such Products that BSG is required to store at its facilities on Customer's behalf. All remaining amounts then owed by Customer relating to the Products, plus any applicable storage fees, shall be due and payable within 7 days following the later of (a) 18 months following the Scheduled Delivery Date, or (b) 18 months following the end of the year in which the hops were harvested. If Customer does not timely remit payment, then BSG's obligation to store and ship the Products shall be null and void and BSG may resell the Products in its sole discretion.
- 5. VARIATIONS.** For bulk product deliveries, Customer agrees to accept a shipment quantity that is plus or minus a quantity up to **five percent (5%)** of the order quantity requested by Customer. Customer will be invoiced for the quantity that is actually shipped within these guidelines and Customer agrees to pay the invoice pursuant to Paragraph 2 above.
- 6. COST INCREASES.** To the extent the prices agreed upon include allowance for freight costs or insurance costs applicable to the Products to be shipped to Customer, if said rates at the time of shipment differ from the rates quoted to Customer, the resulting increase or decrease shall be paid by or credited to Customer's account. Guaranteed delivery charges requested by Customer shall be paid by the Customer. If Customer is unable to accept delivery from any carrier, then Customer shall be responsible for any re-delivery charges. If BSG's costs in filling Customer's order are increased by reason of local, state, or federal orders or taxes, the amount of such increased cost shall be added to the purchase price, unless prohibited by law.
- 7. CUSTOMER CLAIMS; RETURNS.** Any claims by Customer with respect to either the quantity or quality of the Products received under any shipment made pursuant to this agreement shall be conclusively deemed to be waived unless received by BSG in writing within 15 days after Customer receives the shipment. Orders accepted by Customer cannot be cancelled or returned, except with the prior written consent from BSG and upon terms that will indemnify BSG against all losses resulting therefrom, including loss of profits.
- 8. EXCLUSION OF WARRANTIES. BSG MAKES NO WARRANTIES, EXPRESS OR IMPLIED, RELATING TO THE PRODUCTS, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**
- 9. LIMITATIONS ON DAMAGES.** BSG shall not be liable to Customer for any incidental, consequential, special or punitive damages relating to the Products and/or these Terms & Conditions whether liability is asserted in contract, tort or otherwise and irrespective of whether Customer has been advised of the possibility of any such loss or damage.
- 10. FORCE MAJEURE.** BSG shall not be liable for any delays in delivery, or for non-delivery or nonperformance, in whole or in part, caused by the occurrence of any contingency beyond the control of either BSG or suppliers of BSG. The existence of any such cause or causes of delay shall extend the time of performance by the time or times measured by any such cause or causes of delay.
- 11. SOLVENCY.** Customer represents to BSG that Customer is able to pay its obligations in the ordinary course of business.
- 12. INDEMNITY.** Customer will defend, indemnify and hold harmless BSG from and against all damages, losses, claims and expenses, including attorneys' fees, incurred by BSG as a result of any breach by Customer of any of its obligations under these Terms & Conditions.
- 13. APPLICABLE LAW.** These Terms & Conditions shall be governed by the laws of the State of Minnesota. With respect to any dispute or claim arising hereunder, Customer agrees and consent to jurisdiction of and exclusive venue in any state or Federal court located in Hennepin County, MN.
- 14. MODIFICATION; WAIVER.** No amendment to these Terms & Conditions will be effective unless it is in writing and signed by the parties. No waiver of satisfaction of a condition or nonperformance of an obligation hereunder will be effective unless it is in writing and signed by the party granting the waiver, and no such waiver will constitute waiver of satisfaction of any other condition or nonperformance of any other obligation.
- 15. SEVERABILITY.** If any provision hereof shall be determined to be illegal or unenforceable, the validity of the remaining provisions shall not be affected thereby. If any provision hereof is determined to be overbroad as written, that provision should be considered to be amended to narrow its application to the extent necessary to make the provision enforceable according to applicable law and enforced as amended