STELLA & CHEWY'S SUPPLIER TERMS AND CONDITIONS

These Terms and Conditions (these "**Terms**") provide the terms and conditions upon which you ("**Supplier**") will act as a non-exclusive supplier of the products (the "**Products**") ordered by STELLA & CHEWY'S LLC, a Delaware limited liability company having its principal place of business at 111 West Oakview Parkway, Oak Creek, Wisconsin 53207 ("**S&C**"). These Terms apply to all purchase orders placed by S&C. If Supplier is a party to an existing supplier agreement with S&C (a "**Supplier Agreement**"), the terms of the Supplier Agreement shall supersede these terms in the event of any inconsistency between these Terms and the Supplier Agreement.

1. <u>Appointment</u>. S&C hereby appoints Supplier, and Supplier hereby accepts appointment, as an authorized supplier of the Products.

2. <u>Prices</u>. S&C will purchase Products at the price last quoted, or the prevailing market price, whichever is lower. The order of Products shall not be invoiced at a higher price than last quoted, or charged without S&C's prior written authorization, and shall not increase without S&C's prior written consent.

3. <u>Payment</u>. S&C will pay any undisputed invoiced amounts for each order within sixty (60) of the date of the invoice for such order. In the event S&C disputes in good faith any invoice amount, the parties shall work diligently for a thirty (30) day period to resolve such dispute. Only after such efforts have been exhausted may the parties in their discretion resort to any lawsuit or other legal remedy. Terms of payment by S&C shall provide for a two percent (2%) discount if paid to Supplier within sixty (60) days from the date of receipt of an invoice.

4. <u>Title; Risk of Loss</u>. Title to and risk of loss of all Products shall remain with Supplier at all times until the Products are loaded onto S&C's designated carrier FOB Destination.

5. <u>Insurance</u>. Supplier has, and shall maintain, at all times while any purchase order is in effect, insurance coverage in commercially reasonable types/amounts appropriate for Supplier's business, which shall in no event be less than: (a) commercial general liability insurance of \$1,000,000 per occurrence for bodily injury, \$1,000,000 each occurrence for property damage and \$2,000,000 for products; and (b) Per Occurrence and aggregate umbrella (excess) liability coverage of \$2,000,000 from insurance carriers having at least an "A-" rating by A.M. Best (or, if not available, a comparable insurance rating). Supplier shall provide S&C a certificate evidencing the above insurance that provides that S&C is an Additional Named Insured or Loss Payee to the extent of its interest.

6. <u>Inspection and Quality Assurance</u>

(a) <u>Inspection</u>. Supplier shall maintain mutually-agreed inspection and testing records with respect to the Products and, upon request, shall make such records available to S&C within twenty-four (24) hours of such request. S&C may, at its own cost, perform (or have its designees perform) unannounced quality assurance inspections and documentation inspections to ensure the safety and quality compliance with Applicable Law and the Specifications. S&C or Supplier may suspend any purchasing arrangements under these Terms pending the resolution of any safety and quality matters and re-inspection. S&C may, with reasonable notice, have access to Supplier's plant and production records and quality control records with respect to the Products. For purposes of these Terms, "Applicable Law" means all applicable domestic or foreign federal, state, regional, provincial, municipal, tribal and local laws, statutes, codes, rules, regulations, ordinances, decrees, guidance, policies, orders, best business practices and other legal requirements (including, but not limited to, those relating to health, safety, security, inspection, pesticides, labeling, flammability, price discrimination, wage-hour, labor, conditions of employment,

adulteration, misbranding, color additives, hazardous substances and packaging) under, including, but not limited to, the Federal Food Drug and Cosmetic Act ("**FDCA**"), the Federal Fair Labor Standards Act, the Federal Poison Prevention Packaging Act and the Federal Consumer Product Safety Act.

(b) <u>Facilities</u>. Supplier shall produce the Products only at a production facility approved in advance for such purpose by S&C in writing.

Quality Control and Compliance. The Products shall be manufactured under (c) sanitary manufacturing conditions and be of merchantable quality fit for animal consumption. Supplier must package, manufacture and/or store all Products according to the Specifications and in compliance with Applicable Law. Upon S&C's request, Supplier must send production samples to S&C at S&C's expense for examination and testing to assure conformity with the Specifications. If examination of such samples reveals that the production lot in question fails to conform to the Specifications or the "Pure Food Guaranty" set forth below, Supplier must dispose of that production lot in a manner agreed to by both parties. Before distribution, Supplier must notify S&C of any Specification deviations Products of questionable wholesomeness, any raw materials Supplier has reason to believe contain foreign material, or any other non-compliance with the Specifications (collectively, "Non-Compliant Products"). Supplier agrees that it will resolve any non-conformance within 30 days, and where such non-conformance is not capable of being remedied, Supplier will provide S&C, at its sole option, with a replacement Product or full refund. Supplier agrees that it will discuss such Non-Compliant Products with S&C's quality control personnel prior to notifying any regulatory authorities. In the event there are any Non-Compliant Products, S&C may reject such Products by providing written notice of such rejection to Supplier (which may be via email) and Supplier shall replace such Non-Compliant Products at its expense or refund any amount paid by S&C therefor and, in any event, reimburse S&C's cost of destroying or disposing of such Products (without limiting S&C's rights under Applicable Law or these Terms). S&C may also charge Supplier for all expenses of inspection, unpacking, examining, relabeling, repacking, storing and reshipping any Products rejected as described above. Pure Food Guaranty. Supplier warrants and guarantees that all Products produced or delivered to S&C will at all times be (i) of the best quality, pure and free from defects; (ii) produced and packaged in accordance with the Specifications, including shelf-life Specifications; (iii) in compliance with Applicable Law; (iv) wholesome, not adulterated or misbranded within the meaning of the FDCA or under any comparable Applicable Law regarding the preparation, manufacture and delivery of the Products and (v) compliant with the Specifications.

(d) <u>Pesticides</u>. Supplier agrees that, if any Product is a raw agricultural commodity or is prepared from such a commodity, pesticide residues in the Product shall not be in excess of the allowable limits/standards set by Applicable Law. Unlawful pesticide levels shall not be used by Supplier in any Product.

7. <u>Product Recall or Market Withdrawal</u>. In the event that S&C considers it necessary or appropriate, either in response to government action or otherwise, to recall or withdraw any Products due to Supplier's negligence or other failure to comply with or breach of the Specifications, the other terms of these Terms or Applicable Law, including but not limited to the requirements set forth in the Food Allergen Labeling and Consumer Protection Act of 2004 and/or FDCA, as applicable, Supplier will be responsible for any and all damages, claims, losses, costs and expenses (including reasonable attorneys' fees) (collectively, "**Damages**") and costs of such recall or withdrawal and recovery, including without limitation loss of Products, transportation of Products, notices and communications necessary or appropriate to effecting such recall or withdrawal, and all costs and expenses (including but not limited to reasonable inhouse and outside attorneys' fees and costs) incurred in defending "actions" brought in connection with and remediating such recall or withdrawal. If Supplier has reason to believe that any Products are or will become Non-Compliant Products that could reasonably require a product recall, Supplier will immediately

notify S&C of the same, and Supplier will discuss the Non-Compliant Products with S&C's quality control personnel prior to notifying any regulatory authorities.

8. <u>Orders</u>. Each order of Products (an "**Order**") will be issued by S&C at a minimum the stated number of calendar days for the Products as determined between Supplier and S&C (the "**Lead Time**") and Supplier shall fulfill all such Orders within the Lead Time. S&C shall be permitted to change each such Order during the Lead Time. For any Order placed after the Lead Time, Supplier shall use its commercial best efforts to fulfill such Order. All Orders received by Supplier shall be confirmed by Supplier to S&C within 48 hours of receipt of such Order. If Supplier is not able to fulfill such Order within the Lead Time, S&C may, at its own discretion, cancel such Order without penalty hereunder.

9. <u>Independent Purchaser Status/No Fee</u>. Supplier is an independent purchaser and seller of the Products. Supplier (including its owners, employees and other representatives) is not an agent, employee or legal representative of S&C. Supplier does not have any authority to (and will not) represent or bind S&C to any contract with any third party (or attempt to do so). The operations of Supplier are subject to the Supplier's sole control and management.

10. <u>Terms and Conditions of Purchase</u>. All purchases of Products by S&C are subject to these Terms or the Supplier Agreement between the existing Supplier Agreement with S&C, the terms of the Supplier Agreement shall supersede these Terms in the event of any inconsistency between these Terms and the Supplier Agreement. No other terms or conditions will apply to any sale of Products to S&C unless specifically agreed to in writing signed by both parties. Any new or different terms or conditions supplied by Supplier or contained in its purchasing documents are hereby rejected.

11. <u>Proprietary and Trademark Rights</u>. Supplier agrees that any and all formulas, specifications, procedures, trademarks, inventions, ideas and other intellectual property development arising from the joint efforts of the parties are "works made for hire" and the sole property of S&C. Supplier must take whatever actions may be necessary in order to assign or clarify such ownership in S&C, unless otherwise mutually agreed in writing by both parties in advance.

12. <u>Indemnification</u>.

(a) In addition to any other rights that S&C may have at law or in equity, Supplier agrees, at its own expense, to indemnify, defend and hold S&C (or its representatives acting on its behalf) and its shareholders, directors, managers, members, officers, employees, parent company, subsidiaries, affiliates, successors and assigns harmless against all Damages or expenses of whatever form that any of them sustain arising out of or resulting from (i) Supplier's breach of these Terms; (ii) Supplier's intentional, reckless or negligent conduct; (iii) a violation of the warranties, guarantees and certifications given to S&C by Supplier or a breach of the terms set forth herein by Supplier; (iv) any claims or complaints which allege that the Products were provided in a negligent manner or (v) Supplier's violation of any Applicable Law in connection with its activities pursuant to these Terms. Supplier further agrees to indemnify and hold S&C (or its representatives acting on its behalf) and its shareholders, directors, managers, members, officers, employees, parent company, subsidiaries, affiliates, successors and assigns harmless from any and all Damages incurred by S&C (or its representatives acting on its behalf) with Supplier's prior written consent (not to be unreasonably withheld) or awarded to a third party as a result of any such complaint, claim or lawsuit.

(b) S&C shall be required to notify Supplier, in writing, of any failure of the Products to comply with the warranties, specifications, guarantees and certifications set forth herein promptly upon becoming aware of any such defects. Supplier agrees that such notice shall satisfy the notice requirements of any applicable statute, regulation or rule.

13. <u>Right of Offset</u>. S&C has an absolute and irrevocable right to offset any loss or Damages which S&C suffers as a result of Supplier's breach of any obligation under these Terms by withholding an amount equal the alleged loss or Damage from any amounts due and owing to Supplier under these Terms and any other agreement or transaction between Supplier and S&C less any amount S&C reasonably expects to receive for such loss or Damage pursuant to Supplier's insurance policies described in <u>Section 5</u>. S&C also has an absolute and irrevocable right to offset any improper amounts charged by Supplier and paid by S&C. Such rights of offset expressly extend to, but are not limited to, any claim, executory or otherwise, which arises prior to or subsequent to any bankruptcy filing by Supplier.

14. <u>Confidentiality and Proprietary Rights</u>. All confidential information that may be disclosed to Supplier by S&C will remain the exclusive property of S&C; and, Supplier will not acquire any proprietary interest whatsoever in any such confidential information or in any intellectual property or related rights of S&C.

15. <u>Termination</u>. S&C may cease purchasing Products from Supplier at any time in its own discretion and for its own convenience immediately upon written notice to Supplier. No purchases hereunder shall create any course of dealing or other obligation on the part of S&C to continue purchasing from Supplier.

16. <u>Governing Law</u>. These Terms and any purchase order issued hereunder will be governed by the internal laws of the state of Wisconsin (except for those laws that are expressly limited to dealerships situated in the State of Wisconsin), without regard to conflict of law principles. Each party hereby consents to the sole and exclusive jurisdiction of the federal and state courts for Oak Creek, Wisconsin, with respect to any claim, suit or action in law or equity arising in any way out of these Terms, any purchase order issued hereunder or the subject matter hereof.

17. <u>Waiver</u>. Either party's failure at any time to require performance by the other of any provisions of these Terms or either party's failure to provide notice to such other party of such other party's breach or violation of any provision will not operate as a waiver by the non-breaching party to request strict performance of the same or like provisions, or any other provisions at a later time, operate as a waiver of such other party's ongoing breach of any provisions of these Terms, or operate to foreclose the non-breaching party from terminating any purchase order due to the breach or violation in the future.

18. <u>Severability</u>. Each provision contained in these Terms constitutes a separate and distinct provision severable from all other provisions. If any provision (or any part thereof) is unenforceable under or prohibited by any present or future law, then such provision (or part thereof) will be amended, and is hereby amended, so as to be in compliance with such law, while preserving to the maximum extent possible the intent of the original provision. Any provision (or part thereof) that cannot be so amended will be severed from these Terms; and, all the remaining provisions of these Terms will remain unimpaired.

19. <u>Notices; Communications</u>. Notices required under these Terms will be in writing and delivered in person or by overnight courier, addressed to the applicable party at the address as such party may specify by written notice to the other party. Supplier grants permission and consent for S&C to send or transmit communications (including facsimiles, wireless communications and e-mails) to Supplier including advertisements and promotions.

20. <u>Assignment</u>. Supplier will not sell, assign, delegate or otherwise transfer its engagement, these Terms or any of its rights or obligations hereunder. S&C may assign its rights and obligations under these Terms, including to any purchaser of all or substantially all of the assets of S&C to which these Terms

relate and to any other successor to the business of S&C, and such assignment will not require the consent of Supplier.

21. <u>Entire Agreement; Amendment</u>. These Terms, including any exhibits or schedules attached hereto or referenced herein, and any Supplier Agreement constitute the entire agreement between S&C and Supplier pertaining to the subject matter described herein. These Terms may be amended at any time and without notice by S&C. S&C and Supplier agree that neither will rely on any past or future oral promises or representations.

22. <u>Force Majeure Clause</u>. Supplier will not be responsible for delay in delivery or failure to fill orders or other default or damage where such has been caused by an act of God, war, major disaster, terrorism, third-party criminal acts, insurrection, riot, flood, earthquake, fire, strike, lockout or other labor disturbance, delay by carriers, shortage of fuel, power, materials or supplies, operation of statutes, laws, rules or rulings of any court or government, demand for goods exceeding S&C's available supply or any other cause beyond S&C's control. In the event of any delay in delivery, failure to fill orders or other default or damage caused by any of the foregoing, S&C may, at its option and without liability, prorate its deliveries, cancel all or any portion of these Terms to the extent affected by the event of force majeure and/or extend any date upon which performance is due hereunder.

23. Interpretation. Each party has read and understands these Terms and consents to be bound by these Terms. In these Terms: (a) the headings are for convenience of reference only and will not affect the meaning or interpretation of these Terms; (b) the words "herein," "hereunder," "hereby" and similar words refer to these Terms as a whole (and not to the particular sentence, paragraph, Article or Section where they appear); (c) terms used in the plural include the singular, and vice versa, unless the context clearly requires otherwise; (d) reference to any document means such document as amended or modified and as in effect from time to time in accordance with the terms thereof; (e) reference to any applicable law means such applicable law as amended, modified, codified, replaced or reenacted, in whole or in part, and as in effect from time to time, including any rule or regulation promulgated thereunder; (f) "or" is used in the sense of "and/or"; "any" is used in the sense of "any or all"; and "with respect to" any item includes the concept "of" such item or "under" such item or any similar relationship regarding such item; (g) reference to a document, including these Terms, will be deemed to also refer to each annex, addendum, exhibit, schedule or other attachment thereto; and (h) when calculating a period of time, the day that is the initial reference day in calculating such period will be excluded and, if the last day of such period is not a business day, such period will end on the next day that is a business day. Where S&C has a right to make a determination or pursue or not pursue a particular course of action under these Terms, such as, for example granting consent or approval or creating or managing policies, such determinations and decisions will be made by S&C in its sole discretion.