

GENERAL TERMS AND CONDITIONS

The Order Ticket(s) and the Invoice(s), and the "General Terms and Conditions" are collectively referred to as the "Agreement". This Agreement governs any and all sales of goods and products by CHAMPION SEED COMPANY, a California corporation ("Seller"), to the customer/buyer identified on the Order Ticket(s) or the Invoice(s) ("Customer"). Seller and Customer are referred to singularly as a "Party" and collectively as the "Parties" on a generic basis. The goods and/or products sold under this Agreement shall be assembled, manufactured or produced in accordance with Seller's standard practices.

1. **DISCLAIMER OF OTHER WARRANTIES.** Customer is not relying on any representation of Seller concerning quality, usefulness or other attribute of the goods and/or products sold. No descriptions other than those in this Agreement shall be deemed a warranty by description or otherwise have any legal effect. If examples were exhibited to customer, they were for general information purposes only and shall not be deemed a warranty by sample or model or otherwise have any legal effect. **THE WARRANTIES IN THIS AGREEMENT CONCERNING GOODS AND/OR PRODUCTS SOLD ARE IN LIEU OF ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ORAL OR WRITTEN, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE, OTHER THAN THOSE WARRANTIES WHICH ARE IMPLIED BY AND INCAPABLE OF EXCLUSION, RESTRICTION, OR MODIFICATION UNDER THE LAW APPLICABLE TO THIS AGREEMENT.** Seller does not warrant the goods and/or products sold to any third party for any purpose or use whatsoever.

2. **LIMITATION OF LIABILITY; WAIVER OF CERTAIN DAMAGES.** **THE MAXIMUM LIABILITY, IF ANY, OF SELLER FOR ALL DIRECT DAMAGES, INCLUDING, WITHOUT LIMITATION, CONTRACT DAMAGES AND DAMAGES FOR INJURIES TO PERSONS OR PROPERTY, WHETHER ARISING FROM SELLER'S BREACH OF THIS AGREEMENT, BREACH OF WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY, OR OTHER TORT, OR OTHERWISE WITH RESPECT TO GOODS AND/OR PRODUCTS SOLD, IS LIMITED TO AN AMOUNT NOT TO EXCEED THE PURCHASE PRICE OF THE GOODS AND/OR PRODUCTS SOLD.** In no event shall Seller be liable to Customer for any indirect, incidental, consequential, or special damages, including without limitation lost revenues and profits, even if it has been advised of the possibility of such damages or for any claim by any third party.

3. **LIMITED EXPRESS WARRANTIES.** Subject to Section 7.2, Seller warrants to Customer as follows: (i) that the goods and/or products sold are labeled in conformance with federal and applicable state laws; and, (ii) that all goods and/or products sold shall conform to the descriptions on this Agreement and the descriptions stated upon the label affixed to the goods and/or products sold.

4. **PRICING; PAYMENTS; SECURITY INTEREST.**

4.1. **Pricing.** Pricing is exclusive and this does not include, taxes, freight, packaging, insurance, handling and all other charges, whether similar or dissimilar, unless otherwise indicated on the Order Ticket(s) or the Invoice(s).

4.2. **Payments.** Unless otherwise provided on the Order Ticket(s) or the Invoice(s), payment in full is due and owing within thirty (30) days after the date of the Order Ticket(s) or immediately upon delivery of the goods and/or products sold, whichever is earlier. All payments under this Agreement shall be paid in cash, or by cashier's or company check, wire transfer or electronic data interchange ("EDI") made payable to Seller. Payments shall be made in legal tender of the United States of America and directed to the remittance address on the Order Ticket(s) or the Invoice(s). Seller may suspend scheduling, production, shipment or delivery of goods and/or products until such arrangements are made.

4.3. **Interest and Late Charges.** Customer shall pay to Seller interest on any unpaid amount upon the greater of either one and one-half percent (1.5%) per month or the maximum rate permitted by the laws of the State of California, on the first day such amounts first become past due and owing.

4.4. **Assurance of Performance.** If Seller reasonably believes that Customer is or may become unable to perform its duties, obligations or responsibilities hereunder, Seller may require that Customer provide Seller with security for, or other assurance of performance, in either case acceptable to Seller.

4.5. **Security Interest; Agricultural Lien.** Seller retains a purchase money security interest under Division 9 of the California Commercial Code, concerning security interests in personal property, and a lien under Section 55631 *et seq.* of the California Food and Agriculture Code, concerning agricultural liens, in the goods and/or products sold and the proceeds thereof, until payment in full has been made. Customer agrees to execute such financing statements and other documents as Seller may request in order to perfect Seller's security interest and lien in the goods and/or products sold. In the event of default by Customer under this Agreement, Seller shall have all available remedies under the laws of the State of California, including without limitation, Division 9 of the California Commercial Code and California Food and Agriculture Code Section 55631 *et seq.*

5. **TITLE; RISK OF LOSS.** Title to the goods and/or products shall pass to Customer upon Seller's receipt of full payment for the goods and/or products. Risk of loss shall pass to Customer upon tender of delivery of the goods and/or products at the delivery point specified on the Order Ticket(s) or the Invoice(s).

6. **INSPECTION.** Customer shall have the right to inspect the goods at the delivery point specified on the Order Ticket(s) or the Invoice(s) before accepting them. Customer's taking of delivery of the goods and/or products sold at the delivery point shall be deemed an acceptance of the goods and/or products sold as conforming to this Agreement. Customer's inspection or failure to inspect shall not delay payment.

7. **CLAIMS.**

7.1. **Arbitration/Conciliation/Mediation.** Under the seed laws of several states, arbitration, mediation or conciliation is required as a prerequisite to maintaining a legal action based upon the failure of seed to which this notice is attached to produce as represented. The consumer shall file a complaint (sworn for AR, FL, IN, MS, SC, TX, WA; signed only CA, GA, ID, ND, SD) along with the required filing fee (where applicable) with the Commissioner/Director/Secretary of Agriculture, Seed Commissioner, or Chief Agricultural Officer, within such time as to permit inspection of the crops, plants or trees by the designated agency and the seedsman from whom the seed was purchased. A copy of the complaint shall be sent to the seller by certified or registered mail or as otherwise provided by state statute.

7.2. **Option to Replace.** Seller may replace any unused goods and/or products that fail to meet the limited warranty under Section 4 provided Seller is promptly notified of any defect and such goods and/or products are returned freight prepaid and insured by Customer to Seller within ten (10) days after delivery. Replaced goods shall be returned to Customer, freight prepaid and insured by Seller. Seller may charge at its standard rates for any handling of such goods and/or products.

8. **LIMITATION OF ACTIONS.** Any action by Customer against Seller for breach of this Agreement or breach of warranty or for any other claim, whether in tort or contract, must be commenced within one year (1 yr.) of the delivery of the goods and/or products sold.

9. **ACCEPTANCE EXPRESSLY LIMITED.** Acceptance by Customer of Seller's offer to sell goods and/or products to Customer is expressly conditioned upon Customer's acceptance of and limited only to the terms of the Agreement. No additional terms or changes, amendments, or alterations to the terms herein are a part of the Agreement unless expressly assented to in writing by Seller.

10. **ATTORNEYS' FEES AND COSTS.** In the event of any arbitration or action at law or in equity between the Parties to enforce or interpret this Agreement, the non-prevailing Party to such litigation shall pay to the prevailing Party all costs and expenses, including, without limitation collection and court costs and expenses, and also reasonable attorneys' fees and disbursements, incurred therein by such prevailing Party and, if such prevailing Party shall recover judgment in any such action or proceedings, such costs, expenses and attorneys' fees and disbursements may be included in and as a part of such judgment. The prevailing Party shall be the Party who is entitled to recover his costs of suit, whether or not the suit proceeds to final judgment. If no costs of suit are awarded, then the prevailing Party shall be determined by the court or the arbitrator, as applicable.

11. **GOVERNING LAW; VENUE.** This Agreement shall be construed, enforced, governed by, interpreted and performed pursuant to the internal laws, and not the law of conflicts, of the State of California. The Parties also agree that the United Nations Convention on Contracts for the International Sale of Goods, i.e., "CISG", shall not apply to this Agreement or any other agreement, contract or understanding between the Parties. The Parties additionally agree that venue for any litigation shall be the Orange County Superior Court.