

## **CONSIGNMENT TERMS**

If the supply of Goods involves consignment of Goods, the following Consignment Terms amends the General Terms by adding the following provisions:

1. In these Consignment Terms:

- (a) "Consigned Goods" means goods that may be ordered from time to time by Irving from the Supplier under and in accordance with these terms and "Consigned Good" shall have the same meaning;
- (b) "Consignment Price" means the price of each Consigned Good, as agreed to between the Supplier and Irving in writing at the time of delivery to Irving.

2. From time to time, the Supplier may consign to Irving such Consigned Goods as may be ordered by Irving, and all such deliveries of Consigned Goods by the Supplier to Irving shall be subject to the General Terms as modified by Part 2.

3. Irving shall exercise the same degree of care in storing and caring for the Consigned Goods delivered and accepted by Irving as a reasonable and prudent person would exercise in storing and caring for its own goods, and in respect thereof, Irving shall provide proper storage facilities for all Consigned Goods that are in its custody.

4. Until withdrawn from storage, used or otherwise consumed by Irving in accordance with this Addendum, the title in any Consigned Goods delivered to Irving shall remain vested in the Supplier.

5. All Consigned Goods in the custody of Irving shall be stored so as to keep them identifiable at all times and in such manner as to afford ready inspection by an authorized representative of the Supplier who shall, upon three (3) business days' prior notice, have access to the place where the Consigned Goods are stored at all reasonable times during normal business hours.

6. Goods shall be considered withdrawn from consignment when they are removed from storage by Irving and Irving shall thereby acquire good title in the Consigned Goods.

7. On a monthly basis or such other frequency as agreed to between the parties, Irving shall notify the Supplier of the amount of (a) Consigned Goods withdrawn from storage during the preceding month, (b) Consigned Goods received on consignment during the preceding month and (c) a physical inventory of the Consigned Goods. Irving and the Supplier will agree on procedures for reconciling the amounts reported in the preceding sentence. Following such notification, Seller shall be authorized to invoice Irving for withdrawn Consignment Goods at the Consignment Price. Payment terms shall be as provided for in the General Terms and Conditions or any accompanying Purchase Order.

8. When Consigned Goods are withdrawn from storage by Irving, the Supplier shall arrange for the replacement of such Consigned Goods. Replacement goods shall be delivered by the Supplier within the lead times at the applicable reorder points, and in the applicable reorder quantities as determined and requested by Irving from time to time. Irving may adjust the level of Consigned Goods as usage patterns are developed and as may otherwise be agreed to between Irving and the Supplier.

9. Upon request by the Supplier, Irving shall return any or all of the Consigned Goods for the time being in the custody of Irving; provided, however, Irving shall, upon receipt of such return request, have the option to purchase any or all items in Consigned Goods at the Consignment Price.

10. Where Consigned Goods are returned at the request of the Supplier, the cost of shipment and the risk of any theft, loss, damage or destruction of the Consigned Goods while they are in transit shall be borne by the Supplier.

11. Either party may terminate the consignment agreement at any time, with or without cause, by giving one hundred and twenty (120) days prior written notice to the other party.

12. Should there be any conflict of terms between the General Terms and the Consignment Terms, the provisions of the Consignment Terms shall govern.