

## Member Participation Agreement

THIS PARTICIPATION AGREEMENT (“**Participation Agreement**”) is hereby made effective as of \_\_\_\_\_ (the “**Effective Date**”) between \_\_\_\_\_ (the “**Member**”) and Compass Group Canada Ltd. operating as Foodbuy Canada (“**Foodbuy Canada**”),

**WHEREAS** the Member wishes to participate in Foodbuy Canada’s purchasing program (the “**Foodbuy Canada Program**”) and Foodbuy Canada agrees to such participation and shall allow the Member to receive certain benefits including share of rebates, lower purchase prices, better terms of supply, procurement services and solutions, as applicable (collectively the “**Program Benefits**”) for food and other products, including but not limited to, private label products, packaging, smallwares, foodservice equipment and ancillary products and services, as applicable (collectively the “**Products**”);

**IN CONSIDERATION** of the foregoing and covenants set forth herein, Foodbuy Canada and the Member agree as follows:

- 1. Term.** The term of this Participation Agreement shall commence on the Effective Date and continue until terminated in accordance with this Participation Agreement.
- 2. Consent.** The Member shall disclose to Foodbuy Canada any of its purchasing data, product requirements, list of all suppliers and distributors as reasonably requested by Foodbuy Canada, in connection with the implementation of the Foodbuy Canada Program, and subject to receipt of a written consent in the form attached hereto as Exhibit A (“**Consent**”). The Member authorizes Foodbuy Canada to advise Foodbuy Suppliers that the Member should be listed as a participating member in the Foodbuy Canada Program subject to receipt of the signed Consent and approval by the Foodbuy Supplier, which may be withheld as to the discretion of the Foodbuy Supplier.
- 3. Foodbuy Canada Suppliers.** The Member shall comply with any administrative, operational or any other requirements of any of Foodbuy Canada’s approved suppliers, manufacturers or distributors (“**Foodbuy Supplier**”) in connection with this Participation Agreement. The Member shall be solely responsible for establishing its own creditworthiness with each Foodbuy Supplier. The Member acknowledges that its participation under the Foodbuy Canada Program is conditional upon being in good standing with and the acceptance and approval by, the individual Foodbuy Supplier. The Member shall pay and satisfy each and every invoice directly to the Foodbuy Supplier in accordance with the terms of each Foodbuy Supplier. The Member shall identify and communicate in writing to Foodbuy Canada, any Foodbuy Supplier that shall be excluded from the Foodbuy Canada Program and excluded from purchases made under this Participation Agreement (“**Excluded Suppliers**”).
- 4. Rebates:** As a result of the purchases of Products made by the Member from the Foodbuy Suppliers in accordance with this Participation Agreement, Foodbuy Canada is entitled to manufacturer rebates from the Foodbuy Suppliers based on the value or volume of Products purchased by the Member, except for purchases from the Excluded Suppliers (“**Rebates**”). Foodbuy Canada shall track all Rebates received on account of Products ordered and paid for by the Member under the Foodbuy Canada Program. Foodbuy Canada shall share such Rebates received as follows (each a “**Rebate Share**”): 80 % of Rebates received shall be payable to the Member; and 20 % of Rebates received shall be payable to Foodbuy Canada.  
  
Provided that the Member is not in any default hereunder and subject to any right to set-off below, Foodbuy Canada shall remit to the Member, the Rebate Share received from the applicable Foodbuy Suppliers pursuant to the Foodbuy Canada Program for a specific calendar month, no later than sixty (60) days after the end of such calendar month. In the event that the Member receives its Rebate Share as a result of purchases from any Excluded Suppliers (“**Excluded Supplier Overpayment**”), Foodbuy Canada shall have the right to deduct and set-off an amount equal to the Excluded Supplier Overpayment, from any Rebate Share payable to the Member under this Participation Agreement.
- 5. No Interference.** The Member shall not engage in any conduct or act that unduly or detrimentally interferes with or frustrates the relationship between Foodbuy Canada and any Foodbuy Supplier.
- 6. Exclusivity.** In participating in the Foodbuy Canada Program, the Member shall receive sensitive and confidential information, including pricing, supply terms and rebates, which the Member would not have otherwise acquired. The Member shall also receive the significant benefit of the Member’s Rebate Share. In light of the foregoing, during the term of this Participation Agreement, the Member shall not, and shall cause each of its affiliates and each of their respective officers, directors, shareholders, employees and other representatives not to, directly or indirectly, either individually or in partnership or in conjunction with any other person, negotiate or enter into any agreements with a Foodbuy Supplier (except for any Excluded Suppliers), written or otherwise, which contain terms that are equal to or of better value than, the terms received by the Member through the Foodbuy Canada Program for such Foodbuy Supplier and Product, unless the Member gives prior written notice to Foodbuy Canada of its intent to enter into such negotiations. During the term of this Participation Agreement, the Member shall not, without Foodbuy Canada’s prior written consent, enter into any agreement, arrangement, partnership, joint venture or alliance, with any third party or other group purchasing organization competing directly or indirectly with Foodbuy Canada.
- 7. No Warranties.** In no event shall Foodbuy Canada be responsible for the payment of any such amounts owed by the Member to any Foodbuy Supplier. The relationship between the Member and Foodbuy Supplier shall be that of buyer and seller. The Member agrees that the Foodbuy Suppliers have the sole responsibility for performing the sale and delivery of Products, and any and all Product warranties shall be made directly by Foodbuy Supplier to the Member. Foodbuy Canada is not a Foodbuy Supplier and does not guarantee the performance of any Foodbuy Supplier or Product and the Member’s exclusive remedy for any claims in connection with or arising from the Products or the Foodbuy Supplier shall be solely against the Foodbuy Supplier. The Member hereby releases Foodbuy Canada and any of its employees from any actions, claims or demands of any kind which the Member shall or may have at any time against Foodbuy Canada and any of its employees, in connection with any matter arising out of this Participation Agreement, save and except any claims arising out of Foodbuy Canada’s default or breach of this Participation Agreement.
- 8. Indemnity.** Notwithstanding any other term in this Participation Agreement, the Member and any of its employees, representatives or assigns shall indemnify, defend, and hold harmless Foodbuy Canada and its employees and agents, from and against all actions, claims (in tort or contract),

demands, losses, costs, damages and expenses, including reasonable legal fees, arising out of the acts, omissions or breach of this Participation Agreement, by the Member and any of their respective employees, representatives or assigns, including the failure to make Foodbuy Supplier payments in a timely manner.

- 9. **Termination.** (a) Either party may have the right to terminate this Participation Agreement without cause upon at least 30 days' prior written notice to the other party. (b) Notwithstanding the termination of this Participation Agreement, the Member shall be obligated to take delivery of and make payment in full for any Products ordered by the Member under the Foodbuy Canada Program prior to the effective date of termination, even though such Products may not be delivered until after the effective date of termination. All terms and conditions of this Participation Agreement will apply with respect to such Products as if this Participation Agreement had not been terminated.
- 10. **Foodbuy Canada Terms.** Any terms and conditions negotiated between Foodbuy Canada and a Foodbuy Supplier are the exclusive right and property of Foodbuy Canada. The Member shall have no right whatsoever to any such terms or conditions.
- 11. **Confidentiality.** The terms of this Participation Agreement, the Foodbuy Canada Program, the Program Benefits, all information and content related thereto, and any and all information disclosed by Foodbuy Canada to the Member, including without limitation any terms and conditions, rebates, incentives or pricing negotiated between Foodbuy Canada and any Foodbuy Supplier, shall be considered as "**Confidential Information**". During the term and for a period of two (2) years following the termination of this Participation Agreement, the Member agrees (a) to keep all Confidential Information confidential and not disclose any Confidential Information to any third party, and (b) to not to use any Confidential Information other than for the purpose of carrying out its obligations under this Participation Agreement. The Member agrees and understands that money damages would not be a sufficient remedy for any breach or threatened breach of this paragraph and that Foodbuy Canada shall be entitled to seek specific performance and injunctive or other relief as remedy for any such breach or threatened breach of this paragraph.
- 12. **General.** (a) This Participation Agreement and any benefits or rights herein shall not be assigned or transferred in whole or in part to any person or entity without the prior written consent of Foodbuy Canada which may be withheld. (b) This Participation Agreement shall enure to the benefit of and be binding upon the respective heirs, executors, administrators, successors, permitted assigns and affiliates of the parties hereto. (c) This Participation Agreement constitutes the entire agreement between the parties herein with respect to the subject matter of this Participation Agreement and supersedes any prior understandings and agreements between the parties with respect to such subject matter. (d) This Participation Agreement shall be governed by the laws of Ontario and the laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. (e) Each party shall comply with applicable laws. (f) The Member shall comply with applicable Foodbuy Canada policies furnished to the Member, including the policies set out in <https://www.compass-group.com/en/who-we-are/corporate-governance/policies.html>.

**MEMBER:**

Per: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

**COMPASS GROUP CANADA LTD.**  
**operating as Foodbuy Canada**

Per: \_\_\_\_\_  
 Name: Chris Fry  
 Title: Vice President, Foodbuy Canada

Per: \_\_\_\_\_  
 Name: Brent Mooney  
 Title: CFO

Address for Notices:  
 \_\_\_\_\_  
 \_\_\_\_\_

Address for Notices:  
 \_\_\_\_\_  
 \_\_\_\_\_

Exhibit "A"  
to the Participation Agreement

Form of Authorization and Consent

Date: \_\_\_\_\_

To: \_\_\_\_\_ ("Distributor" or "Supplier"):

Pursuant to the terms of the Participation Agreement (the "**Agreement**") executed between Compass Group Canada Ltd. operating as Foodbuy Canada ("**Foodbuy Canada**") and the undersigned (the "**Member**"), the Member has appointed Foodbuy Canada to provide to the Member food and foodservice related procurement services.

We hereby authorize you to release our purchase history transaction data to Foodbuy Canada and any other pricing and other supporting information as necessary for the implementation of the Foodbuy Canada Program. We request that you work with Foodbuy Canada to implement regular and timely reporting of purchase transaction data (and other supporting information as necessary) for each and all of our units/accounts/locations who purchase products from you. A Foodbuy Canada account representative shall be contacting you to review the Foodbuy Canada program and answer any questions you may have.

If applicable, the Member hereby confirms and acknowledges that any agreement with respect to the purchase and supply of the products between the Member and any third party or other group purchasing organization competing directly or indirectly with Foodbuy Canada is terminated as of the above date.

A copy of this Authorization and Consent shall be as effective as an original.

Thank you for your cooperation.

Member: \_\_\_\_\_

Per: \_\_\_\_\_

Title: \_\_\_\_\_

Name: \_\_\_\_\_

Copy to: Foodbuy Canada  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Email: \_\_\_\_\_  
Fax: \_\_\_\_\_

Unit Location	Distribution Name	Distribution Account Number	GST/HST Number
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

\*Please provide all account numbers for all distributors (including multiple account numbers for any distributors, if applicable)

\*If more space required, please append additional pages.