THIS PARTICIPATION AGREEMENT (“**Participation Agreement**”) is hereby made effective as of       (the “**Effective Date**”) between       (the “**Member**”) and Compass Group Canada Ltd., operating as (and including programs known as) Foodbuy Canada, R.I.B.A., ClubProcure, Umbrel Hospitality Group and Stake Hospitality Group (“**Foodbuy Canada**”).

**WHEREAS** theMember 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 (“**Term**”).
2. **Consent**. The Member shall disclose to Foodbuy Canada any of its purchasing data, product requirements, and a list of all suppliers and distributors as reasonably requested by Foodbuy Canada, in connection with the implementation of the Foodbuy Canada Program. The Member hereby authorizes Foodbuy Canada to collect such information from the Member’s suppliers and distributors, and from Foodbuy Suppliers as required in connection with the implementation of the Foodbuy Canada Program. The Member shall sign and deliver to Foodbuy Canada 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.

Any Foodbuy Supplier that, at any time, does not accept the Member’s inclusion into the Foodbuy Canada Program or with which the Member has an existing agreement that would conflict with the Foodbuy Canada Program, shall be an “**Excluded Supplier**”. The Member shall identify and communicate in writing to Foodbuy Canada the existence of all Excluded Suppliers to its knowledge.

1. **Rebates**. Foodbuy Canada is entitled to manufacturer rebates from the Foodbuy Suppliers based on the value or volume of Products purchased by the Member, as evidenced by the transaction data (Velocity Data Reporting) received by Foodbuy Canada from Foodbuy Suppliers, 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. Notwithstanding the foregoing, a) the Member’s Rebate Share may be increased termporarily in accordance with any marketing initiatives, or limited time offers (each a “**Marketing Initiative**”), run independently or jointly by Foodbuy Canada and Foodbuy Suppliers. For the avoidance of doubt the Rebate Share shall return to the value set out herein at the expiry of any Marketing Initiative as determined by Foodbuy Canada or the Foodbuy Suppliers.
2. **Payment of Rebate Share**.Provided that the Member is not in any default hereunder, there is no data interruption from a Foodbuy Supplier regardless of cause, and subject to Foodbuy Canada’s right to set off, 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.
3. **Excluded Supplier Overpayment**.In the event that the Member receives its Rebate Share as a result of purchases from any Excluded Suppliers (“**Excluded Supplier Overpayment**”), the Member shall pay to Foodbuy Canada an amount equal to the Excluded Supplier Overpayment. This Section 6 shall survive the termination of this Participation Agreement.

In the event a Foodbuy Supplier determines there was an error in the Transaction Data (as hereinafter defined) that resulted in an overpayment in the Rebate Share to the Member and the Foodbuy Supplier claws back the Rebates received by Foodbuy Canada, Foodbuy Canada shall inform the Member of the amount by which the Member was overpaid its Rebate Share (“**Rebate Share Overpayment**”). The Member shall return to Foodbuy Canada the Rebate Share Overpayment.

1. **Set-Off**. Foodbuy Canada shall have the right to set off any monies owed by Foodbuy Canada to the Member with any monies owed by the Member to Foodbuy Canada.
2. **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.
3. **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.
4. **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. Additionally, the Member acknowledges and agrees that that Foodbuy depends on Foodbuy Suppliers in order to obtain Members’ data. Foodbuy Canada shall at no time be responsible for Foodbuy Supplier reporting errors and omissions, delays etc. Any claims from the Member for Foodbuy Supplier data and any errors, omissions or delays shall be between the Member and the Foodbuy Supplier and not Foodbuy Canada. Furthermore, 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.

1. **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 without limitation the failure to make Foodbuy Supplier payments in a timely manner or the breach of Section 12 by the Member.
2. **Transaction Data**. A Member may not transfer any Transaction Data to another purchasing or like organization or directly to a Foodbuy Supplier. For each instance that the Member fails to comply with the foregoing, they shall pay to Foodbuy Canada as liquidated damages an amount equal to ninety (90) days of the average of Rebates generated by the Member’s purchases during the most recent twelve months that this Participation Agreement was in force and in effect. This Section 12 shall survive the termination of this Participation Agreement. “**Transaction Data**” means any data relating to purchases made by the Member from any Foodbuy Suppliers made during the Term of this Participation Agreement. The liquidated damages referred to herein are a genuine pre-estimate of damages suffered by Foodbuy Canada and not a penalty.
3. **Termination**.
4. **For Convenience**. Either party may terminate this Participation Agreement without cause upon at least 90 days’ prior written notice to the other party.
5. **For Cause**. In the event that the Member:
6. fails to abide by the terms of this Participation Agreement, including without limitation the Excluded Supplier Overpayment or Transaction Data, and does not remedy such failure within ten (10) days of receiving notice from Foodbuy Canada;
7. fails to abide by the confidentiality obligations of this Participation Agreement;
8. becomes insolvent or unable to pay its debts as they become due;
9. ceases to do business as a going concern; or
10. makes an assignment for the benefit of creditors, applies to or petitions any tribunal or governmental body or authority for the appointment of a custodian, receiver or trustee for itself or any substantial part of its assets, or commences any proceeding with respect to itself under any bankruptcy, reorganization, readjustment of debt, insolvency, receivership, dissolution or liquidation law or statute of any jurisdiction, or if it files any such application or petition, or if such proceeding is commenced against a party;

Foodbuy Canada may terminate this Participation Agreement immediately and revoke all Program Benefits without notice.

1. 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.
2. **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.
3. **Affiliated Programs**. Foodbuy Canada may administer the Foodbuy Program under its registered operating names, including ClubProcure, R.I.B.A., Umbrel, Stake Hospitality, and the Member may receive emails, invoices or other communications relating to certain Program Benefits from these divisions, which shall be treated as communications from Foodbuy Canada under this Participation Agreement.
4. **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.
5. **Notice**. Except as otherwise provided herein, all notices to be given under this Participation Agreement shall be in writing and shall be served either personally, by electronic mail, by deposit with an overnight courier with charges prepaid, or by prepaid registered mail to the respective address listed herein as updated in writing from time to time, with a copy to the Member’s Foodbuy Account Manager. Any such notices shall be deemed to have been given (a) upon delivery in the case of personal delivery; (b) upon the first business day following facsimile or electronic mail receipt; (c) one (1) business day after deposit with an overnight courier; or (d) three (3) business days after deposit in the mail, provided that if such mail service shall be interrupted by strike or other irregularity before the deemed receipt of such notice as aforesaid, then such notice shall not be effective unless delivered or transmitted via facsimile or electronic mail transmission.
6. **Waiver**. Any waiver by a party of any default of the other party or any failure by a party to exercise any rights under this Participation Agreement or to insist upon the strict performance of any obligations of the other shall not constitute a waiver or release of any rights and remedies of that party in the event of a subsequent default of the same nature or of any other default on the part of the other party.
7. **Survival**. All obligations of the parties whether in this Participation Agreement or in the Schedules attached hereto which by their terms are intended, or are otherwise appropriate, to survive the cancellation, termination or expiration of this Participation Agreement, including, Section 6 – Excluded Supplier Overpayment and Section 12 – Transaction Data, shall survive the cancellation, termination or expiration of this Participation Agreement.
8. **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>.
9. **Marketing & Communication**.   By checking the box to the left, theMember hereby agrees that Foodbuy may contact the Member at the email address listed below to share information regarding the Foodbuy Canada Program, marketing opportunities, and other information relevant to the Foodbuy Canada Program.
10. **Language**. The parties hereto have expressly required that this Participation Agreement and all documents, agreements and notices related hereto be drafted in the English language. Les parties aux présentes ont expressément requis que le présent contrat et tous les autres documents, conventions ou avis qui y sont afférents soient rédigés en langue anglaise.

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| --- | --- | --- | --- | --- |
| **MEMBER:** | |  | **COMPASS GROUP CANADA LTD.** | |
| Per: |  |  | Per: |  |
| Name: |  |  | Name: | Simon Wright |
| Title: |  |  | Title: | CFO |
|  | I/We have authority to bind the above Member. |  |  | I/We have authority to bind the above Corporation. |
|  |  |  |  |  |
|  |  |  |  |  |
| Address for Notices: | |  | Address for Notices: | |
|  | |  | 1 Prologis Blvd., Suite 400 | |
|  | |  | Mississauga, ON L5W 0G2 | |
| Email: | |  | generalcounsel@compass-canada.com | |
| Phone: | |  |  | |
| GST#/HST#/QST#: | |  | Name of Foodbuy Canada Representative: | |

Exhibit A

to the Participation Agreement

Form of Authorization and Consent

To: Distributor or Supplier of the undersigned Member:

The undersigned (the “**Member**”) has appointed Foodbuy Canada to provide to the Member food and foodservice related procurement services. We have authorized Foodbuy Canada to request and receive on our behalf our purchase history transaction data (Velocity Data Reporting) from our suppliers and distributors.

We hereby authorize you to release our Velocity Data Reporting from the following effective date:       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. Foodbuy Canada will provide you with a list of all such units/accounts/locations, as amended from time to time. A Foodbuy Canada account representative shall be contacting you to review the Foodbuy Canada program and answer any questions you may have.

Pursuant to our agreement with Foodbuy Canada, we are obligated to request that you do not release our Velocity Data Reporting for purchases made by us during the term of our agreement with Foodbuy Canada to any other group purchasing organization or supplier.

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.

This Authorization and Consent is effective as of the date referenced above and shall not be revoked without prior notice to Foodbuy Canada as required by the Member’s participation agreement. Distributors and suppliers are asked to contact Foodbuy Canada to confirm the effective date of termination.

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: Compass Group Canada Ltd.

Name: Chris Delaney

Title: Vice President Of Growth