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**Appendix B**  
**Industrial Services Agreement**

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Existing Industrial Services Agreement  
Between Town of Neepawa  
And  
Springhill

AGREEMENT FOR WASTEWATER TREATMENT SERVICES dated as of 21<sup>st</sup> day of December, 2007.

BETWEEN:

THE TOWN OF NEEPAWA  
(the "Town")

- and -

GOLDEN SUNRISE FOODS LIMITED PARTNERSHIP,  
by its general partner, GOLDEN SUNRISE FOODS INC.  
("Springhill")

WHEREAS:

A. The Town is a party to an agreement entered into with Springhill Farms Limited (the "Original Agreement") whereby the Town agreed to construct and operate a sewage system (as described in the Original Agreement) to serve a hog slaughter and processing plant (the "Plant") owned and operated by S.H. Properties Ltd. and located on the land legally described as:

SW 1/4 35-14-15WPM  
EXC FIRSTLY: SP 7402 NLTO  
EXC SECONDLY: PLAN 23208 NLTO  
EXC THIRDLY: ROAD PLAN 4611 NLTO

(the "Plant Land");

B. Pursuant to the Original Agreement, the Town constructed the Sewage System, including the wastewater treatment facility (the "IWWTF") located on the land registered in the name of the Town and legally described as:

LOT 1 PLAN 23208 IN SW ¼ 35-14-15 WPM

(the "IWWTF Land");

C. The IWWTF is licensed pursuant to *The Environment Act* (Manitoba) by virtue of Order No. 1103 VC of the Manitoba Clean Environment Commission granted July 20, 1986 and varied by order V1103 VC (the "IWWTF License");

D. The Plant is licensed pursuant to *The Environment Act* (Manitoba) by virtue of Order No. 1102 of the Manitoba Clean Environment Commission dated July 29, 1986, as supplemented by a letter of alteration issued by the Manitoba Department of Environment and Workplace Safety and Health dated November 24, 1988, together with a further letter of alteration issued by the Manitoba Department of Environment dated February 20, 1991 (together the "Plant License");

E. The IWWTF has not been operated strictly in accordance with the terms of the Original Agreement and has not performed as contemplated in the Original Agreement and the Parties wish to enter into an agreement to better reflect the actual operations of the IWWTF and the balance of the Sewage System and to provide for the ongoing operation of the Sewage System from the effective date of this Agreement until such time as the New IWWTF has been completed and is fully operational;

F. The Plant is in the course of being acquired by Springhill from its current owners and, as a condition of that acquisition and conditional upon completion of that acquisition, the Parties are entering into this agreement to amend and restate their respective obligations in relation to the ownership and operation of the Sewage System.

NOW THEREFORE for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by each party to this Agreement, and subject to the terms and conditions hereinafter set out, the parties agree as follows:

#### ARTICLE 1 - DEFINITIONS

1.1 In addition to terms expressly defined elsewhere in this Agreement and unless the context otherwise requires, all capitalized terms in this Agreement shall have the following meanings:

"Advisory Board" means the advisory board consisting of representatives of the Town and Springhill and established in accordance with Article 4 hereof.

"Agreement" means this Agreement for Wastewater Treatment Services between the Town and Springhill made and entered into as of the day and year first above written and effective as of the Effective Date.

"Claims" means all suits, actions, administrative or legal proceedings and all other claims.

"Combined Municipal/Springhill Industrial WPCP Operational Plan" means the operational plan for Springhill Industrial Waste Water Treatment Facility attached as Appendix One to this Agreement.

“DAF Unit” means the dissolved air floatation unit for the pre-treatment of wastewater effluent located at the Plant.

“Effective Date” means the date of acquisition of the Plant or ownership control of the Plant by Springhill.

“Effluent Flow Rate” means the volume of wastewater discharged to the IWWTF through the Sewage System, monitored at the Lift Station by Springhill or its designate.

“Environment” means the environment or natural environment as defined in any Environmental Laws including without limitation, air, surface water, groundwater, land surface, soil and subsurface strata.

“Environmental Laws” means all Laws relating in full or in part to the protection of the Environment, use or occupation of land and employee and public health and safety and includes, without limited, those laws relating to the refinement, transfer, production, storage, generation, use, handing, manufacture, processing, transportation, treatment, Release and disposal of hazardous substances and shall include, without limitation, to the extent such legislation is applicable, *The Environment Act*, the *Canadian Environmental Protection Act*, *The Dangerous Goods Handling and Transportation Act* and *The Workplace Safety and Health Act*.

“Government Authorities” means all federal, provincial, municipal or local government, quasi-governmental, judicial, public or statutory authorities, commissions, tribunals, agencies, departments, ministries, corporations, boards, bodies or other entities.

“Governmental Authorizations” means permits, certificates, licenses, consents, authorizations, approvals and any other requirements of or from the Government Authorities.

“Hazardous Substances” means any pollutant, contaminant, waste of any nature, hazardous substance, hazardous, toxic or dangerous material, toxic substance, noxious substance, ozone depleting substance, dangerous substance or dangerous good as defined, judicially interpreted or identified in or prohibited, controlled or regulated pursuant to any Environmental Laws including, without limitation, PCBs or materials or equipment containing PCBs, any substance or material in quantities that may cause harm of any person, or an impairment of the safety of any person.

“Lift Station” means the wastewater lift station that forms part of the Sewage System.

“Plant” means the hog slaughter and processing plant operated by Springhill on the Plant Lands.

“Plant Lands” means the lands legally described as:

SW- ¼ 35-14-15W WPM

EXC FIRSTLY: SP 7402 NLTO  
EXC SECONDLY: PLAN 230208 NLTO  
EXC THIRDLY: ROAD PLAN 4611 NLTO

"IWWTF" means the Industrial Wastewater Treatment Facility including seasonal use of cell 3 of the MWWTF, as defined in the recitals hereto.

"IWWTF Lands" means the lands upon which the IWWTF is located and legally described as:

LOT 1 PLAN 23208 IN SW ¼ 35-14-15 WPM

"IWWTF License" has the meaning described in the preamble hereto.

"Laws" means all approvals, laws, rules, statutes, codes, standards, by-laws, ordinances, orders, permits, notices, directions, judgments, licenses, regulations and any other requirements of all Governmental Authorities which are or come in force.

"Losses" means all Claims, liabilities, charges, liens, privileges, demands, losses, costs, damages and expenses including, without limitation, legal fees on a solicitor and client basis and disbursements.

"MWWTF" means the portion of the municipal wastewater treatment facility owned and operated by the Town. For the purpose of this agreement known as Municipal Cell 3.

"MWWTF License" means Order No. 762VO of the Manitoba Clean Environment Commission dated December 21, 1979.

"New IWWTF" means the new industrial wastewater treatment facility intended to be constructed by the Town in cooperation with Springhill, or otherwise, to replace the IWWTF.

"Parties" means the Town and Springhill and "Party" means any one of the Parties.

"Plant License" has the meaning described in the preamble hereto.

"Related Parties" means the respective agents, contractors, employees and representatives and any other person, corporations or other entities performing or observing a portion of the respective Parties' duties, liabilities, obligations and responsibilities under this Agreement.

"Release" shall have the meaning prescribed in any Environmental Law and includes, without limitation, any releases, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage or placement.

“Remedial Order” means any administrative complaint, direction, order or sanction issued, filed or imposed by any Government Authorities pursuant to any Environmental Laws and includes, without limitation, any order requiring any remediation or clean-up of any Hazardous Substance, or requiring that any Release or any other activity be reduced, modified or eliminated.

“Sewage System” means the Lift Station, forcemain, lagoon, gravity sewer system and other wastewater treatment facilities serving the treatment of wastewater effluent from the Plant and the Truck Wash.

“Truck Wash” means the truck wash referred to in the preamble hereto.

“Upset Condition” means a state in which there is non-compliance with the Combined Municipal/Springhill Industrial WPCP Operational Plan or a state in which the IWWTF, or if the MWWTF is the final discharge point, the MWWTF, is not in compliance with its effluent discharge limits, as those limits may be changed from time to time by Government Authorities.

## ARTICLE 2 - SCOPE OF SERVICES RE: IWWTF

- 2.1 During the term of this Agreement, the Town shall:
- (a) be the owner of the Sewage System and the operator of the Sewage System, including the IWWTF, but excluding the DAF Unit;
  - (b) accept for treatment the wastewater effluent from Springhill's operations at an Effluent Flow Rate that does not exceed previous years volumes;
  - (c) accept all wastewater effluent referred to in paragraph (b) requiring transfer from the IWWTF, as referenced in the Combined Municipal/Springhill Industrial WPCP Operational Plan, for storage, treatment and discharge at and from the MWWTF, provided that the MWWTF has sufficient capacity as determined by the Town of Neepawa, particularly during the period March through November in accordance with Manitoba Conservation restrictions and provided further that Manitoba Conservation does not withdraw its Emergency Discharge Order permitting discharge;
  - (d) Direct reasonable efforts towards enabling the MWWTF to be and remain capable of producing a discharge of treated wastewater which will comply with the MWWTF Licence or, applicable Governmental Authorizations relating to the MWWTF;

- (e) Operate the IWWTF and direct Springhill to carry out the maintenance and repair necessary, as outlined by the Combined Municipal/Springhill Industrial WPCP Operational Plan in accordance with generally accepted industry standards and practices to accomplish the desired result in a manner consistent with law, regulation, reliability, safety and environmental protection;
- (f) provide Springhill with ongoing information with respect to operations, influent and effluent data, in relation to the Sewage System as may be required in order to meet its obligations under this Agreement, the Combined Municipal/Springhill Industrial WPCP Operational Plan, or as may be desirable for operation of the Plant and the DAF Unit;
- (g) assume responsibility for the transfer of wastewater effluent discharge from the IWWTF to the MWWTF;
- (h) pay and discharge, on a cost recovery basis from Springhill, pursuant to Article 3, all expenses incurred in the operation of the IWWTF during the term hereof;
- (i) use its best efforts to operate the IWWTF in a manner that minimizes operating costs;
- (j) provide Springhill with copies of all groundwater and discharge monitoring data for the IWWTF;
- (k) supply potable water to the Plant at current volumes (up to approximately one million litres per day) subject to the capacity of the Municipal Water Treatment Plant to provide such volumes of water, as determined by the Town.
- (l) participate in good faith in the Advisory Board; and
- (m) in the event of an Upset Condition, give expedient attention and cooperate fully with Springhill to reasonably assist in rectifying the Upset Condition, keeping the Advisory Board updated.

2.2 Springhill agrees to grant to the Town such easement or easements that may be necessary to enable the Town to transport waste streams and process effluents from the Lift Station and to the IWWTF.

2.3 During the term of this Agreement, Springhill shall:

- (a) ensure that the Effluent Flow Rate does not exceed previous years volumes;
- (b) own, operate, maintain and repair the DAF Unit in accordance with generally accepted industry standards and practices to accomplish the desired result in a manner consistent with law, regulation, reliability, safety and environmental protection to ensure that adequate pre-treatment continues at least consistent with, but not less than, current and past practise;
- (c) provide the Town with ongoing information with respect to wastewater operations monitored at the Lift Station, including the flow rate;
- (d) assume responsibility for the transfer of wastewater effluent discharged to the Lift Station and from the lift station to the IWWTF;
- (e) participate in good faith on the Advisory Board; and
- (f) in the event of an Upset Condition, give expedient attention and cooperate fully with the Town to reasonably assist in rectifying the Upset Condition, keeping the Advisory Board updated;
- (g) carry out the maintenance and repair of the IWWTF as directed by the Town pursuant to Section 2.1(e) herein, in accordance with generally accepted industry standards and practices to accomplish the desired result in a manner consistent with law, regulation, reliability, safety and environmental protection and as the Town may reasonable require.
- (h) Consult with the Town before carrying on any expansion of its facilities or hours of work or any other operational change which might lead to an increase in consumption of water, with the understanding that the Town has not agreed to provide water beyond its obligation set out in 2.1k above.

### ARTICLE 3- PAYMENT OF COSTS

3.1 Springhill will pay the Town an amount to be determined and invoiced monthly during the term of this Agreement equal to the sum of the Town's actual operating costs on account of supplies consumed and services provided in connection with the operation of the IWWTF (collectively, the "Operating Costs").

3.2 Invoices for compensation will be prepared by the Town and billed monthly and payment will be made by Springhill within thirty (30) days of receipt of invoice.

3.3 The Town agrees to provide Springhill with an unaudited financial statement of its operation of the IWWTF for each calendar year of such operation, and the Town will use its reasonable efforts to provide such statements by January 31, following the end of each calendar year (or such time thereafter as may be reasonably required by the Town to complete such statement).

3.4 The Town shall keep and maintain adequate records for all reimbursable costs to be paid by Springhill, which records shall be available in the offices of the Town for inspection and audit by Springhill or its representatives at all reasonable times and upon appropriate arrangements being made with the Chief Administrative Officer of Town.

#### ARTICLE 4 - ADVISORY BOARD

4.1 An Advisory Board will be formed, which will include equal representation of the Town and Springhill. Unless the Parties otherwise agree, each Party will nominate two (2) representatives to the Advisory Board. The Advisory Board will operate in the capacity of assisting with positive communication and problem solving. This Board does not have an authoritative capacity. The Town reserves the right to make final judgment in said actions of an operational/management nature. The Advisory Board may invite one or more government representatives to participate as advisory resources and to assist in resolution of any ongoing operational issues of the IWWTF.

4.2 The Advisory Board will meet regularly for the following purposes:

- (a) discuss and review of an annual budget of all costs and expenditures and make recommendations to the parties regarding the same;
- (b) to discuss and review matters relating to the management and operation of the Sewage System, including, but not limited to, the IWWTF and make recommendations to the parties regarding the same; and
- (c) make prompt recommendations to the parties for actions to be taken to enable the parties to ensure that appropriate corrective action is taken in the event of any Upset Condition.

4.3 The Advisory Board will discuss matters among the representatives of the Town and Springhill with the intent to identify and recommend steps to amicably resolve any operational issues.

4.4 Either Party may call a meeting of the Advisory Board on fourteen (14) days notice.

4.5 In the event that either Party believes there to be an Upset Condition or a serious risk of an Upset Condition, that Party may convene a meeting of the Advisory Board by giving the other Party not less than twenty-four (24) hours notice, notwithstanding any other provision herein dealing with the time for notices.

#### ARTICLE 5 - CONDITION PRECEDENT

5.1 It is a condition precedent to this Agreement that Springhill completes its acquisition of the Plant and the date of such completion will then be the Effective Date.

#### ARTICLE 6 - ASSIGNMENT

6.1 Assignment and Subcontracting

- (a) Neither Party may assign this Agreement, in whole, in part or in parts, without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, provided that the Town shall consent to an assignment by Springhill upon the sale of all or substantially all of its business at the Plant to a bona fide purchaser of comparable or better reputation, capable of assuming the obligations under this Agreement upon Springhill delivering notice of assignment together with evidence of the assignee's ability to assume the obligations. As a condition of any permitted assignment, the assignee shall first enter into an agreement to be bound by the terms of this Agreement and thereafter the assignor shall be released and be under no further obligation to the other Party for matters arising after the assignment.
- (b) Springhill shall, in its sole and absolute discretion, have the right to assign, or otherwise alienate or mortgage, pledge, charge or subcontract this Agreement, in whole, in part or in parts, to:
  - (i) an affiliate or related party of Springhill;
  - (ii) a person, corporation or other entity which provides financing to Springhill; and/or
  - (iii) a person, corporation or entity which will own the Plant and lease it to, or otherwise provide occupancy rights to, Springhill;

without obtaining the consent of the Town, upon notice to the Town, provided that any such assignment, alienation, mortgage, pledge, charge or subcontracting permitted under this paragraph 6.1(b) does not relieve Springhill from its obligations under this Agreement and provided that such assignees in b1 and b3 agree to become a party to this agreement,

## ARTICLE 7- REPRESENTATIONS, WARRANTIES AND COVENANTS

7.1 Springhill represents, warrants and covenants as follows to the Town and acknowledges and confirms that the Town is relying upon such representations, warranties and covenants in connection with the Town entering into this Agreement with Springhill:

- (a) the recitals in this Agreement are true in substance and in fact;
- (b) the execution and delivery of this Agreement by Springhill has been duly authorized by all necessary corporate action, and it has full power, capacity, authority and legal right to enter into this Agreement and to perform and observe the subject matter of this Agreement; and
- (c) the execution and delivery of this Agreement by Springhill, the duties, obligations, liabilities and obligations under this Agreement of Springhill and the consummation of the subject matter of this Agreement will not result in or constitute a breach of any term, condition or covenant of, or constitute a default under any agreement or other commitment to which Springhill is a party or by which Springhill is bound and constitutes legal, valid and binding obligations, duties, responsibilities and liabilities of Springhill.

7.2 The Town represents, warrants and covenants as follows to Springhill and acknowledges and confirms that Springhill is relying upon representations, warranties and covenants in connection with Springhill entering into this Agreement with the Town:

- (a) the recitals in this Agreement are true in substance and in fact;
- (b) the execution and delivery, of this Agreement by the Town has been duly authorized by all necessary corporate and governmental action, and it has full power, capacity, authority and legal right to enter into this Agreement and to perform and observe the subject matter of this Agreement; and
- (c) the execution and delivery of this Agreement by the Town, the duties, obligations, liabilities and obligations under this Agreement of the Town and the consummation of the subject matter of this Agreement will not

result in or constitute a breach of any term, condition or covenant of, or constitute a default under any agreement or other commitment to which the Town is a party or by which the Town is bound and constitutes legal, valid and binding obligations, duties, responsibilities and liabilities of the Town.

## ARTICLE 8 - INDEMNIFICATION AND INSURANCE

8.1 In so far as may arise from, under or related to the terms, conditions or covenants under this Agreement:

- (a) Each Party covenants and agrees that, to the extent arising out of its negligent or willful act or omission or the negligent or willful act or omission of its officers, directors, consultants, employees, representatives, agents or contractors ("Related Parties"), it shall be liable for any Losses, including any damage to the property of the other Party and any bodily injury to or death of a Related Party of the other Party;
- (b) The Town will indemnify Springhill from any Losses arising out of the use by the Town or its Related Parties of the access roads located on the Plant Land, except for damages that may arise during use of the access roads for removing sludge from the storage cells.
- (c) Each Party covenants and agrees to indemnify and hold harmless the other Party from and against all Losses whatsoever which may be brought against or suffered by the other Party or which such other Party may sustain, pay or incur, as a result of, in respect of, in relation to or arising out of its non-fulfilment of a term, condition or covenant or breach of representation, or warranty under this Agreement or its negligent or, willful act or omission or the negligent or willful act or omission of any of its Related Parties in carrying out or performing its obligations, duties, liabilities or responsibilities under this Agreement. Without limiting the generality of the foregoing, the Town covenants and agrees to indemnify and hold harmless Springhill and its Related Parties and each of them from and against all Losses whatsoever which may be brought against or suffered by Springhill or its Related Parties or which Springhill or its Related Parties may sustain, pay or incur, as a result of, in respect of, in relation to or arising out of the non-observance of or noncompliance with any of the Laws related to the operation of the IWWTF or the MWWTF by the Town or its Related Parties including, without limitation, any Laws relating to worker's compensation, unless such non-observance or non-compliance is a result of a breach of this Agreement by Springhill, or a failure on the part of Springhill to fulfill its obligations herein, including observance of any Environmental Laws or the directions of any

Governmental Authorities. Without limiting the generality of the foregoing, Springhill covenants and agrees to indemnify and hold harmless the Town and its Related Parties and each of them from and against all Losses whatsoever which may be brought against or suffered by the Town or its Related Parties or which the Town or its Related Parties may sustain, pay or incur, as a result of, in respect of, in relation to or arising out of the non-observance of or noncompliance with any of the Environmental Laws or the laws of any Governmental Authorities by Springhill or its Related Parties including, without limitation, any Laws relating to worker's compensation, unless such non-observance or non-compliance is a result of a breach of this Agreement by the Town, or a failure on the part of Springhill to fulfill its obligations herein, including observance of any Environmental Laws or the directions of any Governmental Authorities..

- (d) Notwithstanding anything contained in this agreement, the parties agree that the Town shall in no way be liable for any claims, costs, charges incurred by Springhill respecting the operation and maintenance of the Sewage System directed by the Town to be performed pursuant to paragraph 2.1 (e) herein.
- (e) Notwithstanding the foregoing, the Town shall not be liable to Springhill, financially or otherwise, in the event that:
  - I. Despite the use of all reasonable efforts on the part of the Town, the Sewage System or the IWWTF, either in whole or in part, fails in any manner;
  - II. The design Sewage System or the IWWTF, or any part thereof, is insufficient for the needs of Springhill.
  - III. Springhill incurs business losses as a result of the failure of the Sewage System or the IWWTF, the shutting off of the sewage system by the town due to failure to obtain applicable Governmental Authorizations, or the closure of the Sewage System or the IWWTF, all despite the use of all reasonable efforts on the part of the Town.

8.2 During the term of this Agreement the Town and Springhill shall maintain such policies of insurance policies as a reasonably prudent person would maintain.

#### ARTICLE 9 - TERM AND TERMINATION

9.1 The Term of this Agreement shall commence on the Effective Date and, unless terminated earlier pursuant to this Agreement, shall continue until the New

IWWTF is fully operational and is accepting all wastewater effluent from Springhill's operations.

9.2 On the Effective Date this Agreement will supersede the Original Agreement.

#### ARTICLE 10 - CONFIDENTIAL INFORMATION

10.1 Recognizing the relationship of trust and confidence established between the Parties by this Agreement, the Town and Springhill covenant and agree to:

- (a) treat and maintain the Confidential Information as confidential;
- (b) not disclose the Confidential Information to any person, corporation, or other entity in any manner whatsoever, in whole or in part; and
- (c) only use the Confidential Information as is necessary or desirable for each of them to perform or observe their respective obligations, duties, responsibilities or liabilities under this Agreement.

10.2 The Parties may disclose the Confidential Information to those of its consultants, employees, contractors, agents and representatives to whom disclosure is required for the performance or observance of their respective obligations, duties, responsibilities or liabilities under this Agreement but only after such consultant, employee, contractor, agent or representative has properly assumed confidential obligations identical in principle with those herein.

10.3 The Parties covenant and agree that the confidentiality covenant contained herein shall survive the completion or other termination of this Agreement and extend for a period of five (5) years following the date of such completion or other termination.

10.4 For the purposes of this Agreement:

- (a) "Confidential Information" means financial, business, operational, environmental and any other information which is communicated to or acquired by the Town or Springhill either directly or indirectly, from any Party or by any predecessor owner of the Plant including, without limitation, any information regarding plans, programs, plants, processes, systems, products, costs, equipment, tests, reports, operations or customers which may be developed by any one of the Parties, or their respective consultants, representatives, contractors, agents and

employees in the performance or observance of the Party's respective obligations, duties, liabilities and responsibilities under the Agreement, save and except:

- (i) information which at the time of disclosure is or thereafter becomes a part of the public domain through no act or omission on the part of the party receiving the Confidential Information;
- (ii) information which is disclosed to the party receiving the Confidential Information by a third party without a covenant of confidentiality;
- (iii) information which is released from the terms, conditions and covenants of the Contract by the written authorization of the Parties; and
- (iv) information which is required to be disclosed by any Laws.

10.5 Before any release of Confidential Information by a Party for any reason, that Party will forthwith give notice to the other Party and give a reasonable opportunity to the other Party to contest the release of the Confidential Information, by court relief or otherwise, and shall not release such information unless and until the matter is finally determined.

#### ARTICLE 11 - GENERAL

11.1 It is the desire of the parties hereto that this Agreement be accorded a liberal interpretation consistent with its declared intent and purpose. The parties hereto shall do all further acts and things and execute all further documents reasonably required in the circumstances to effect the provision and intent of this Agreement.

11.2 All time limits stated in this Agreement are of the essence of this Agreement.

11.3 In this Agreement, words importing the singular number shall include the plural number, and vice versa, as the context so requires and words importing the use of any gender shall include the masculine, feminine or neuter genders, as the context so requires.

11.4 The division of this Agreement into paragraphs, articles and general conditions and the insertion of headings are for convenience of reference only and shall not affect its construction or interpretation in any way.

11.5 The terms, conditions and covenants of this Agreement, including, without limitation, Articles 8 and 10 of this Agreement, which by their nature are intended to survive the completion or other termination of this Agreement, shall survive such completion or other termination.

11.6 This Agreement sets forth the entire understanding of the Parties, and supersedes all previous negotiations, representations, or agreements, either written or oral, between the Parties relating in any manner to the subject matter of this Agreement.

11.7 All modifications to this Agreement shall be in writing and duly executed by the Parties.

11.8 This Agreement shall ensure to the benefit of, and shall be binding upon, the Parties and their respective successors and permitted assigns, as the case may be.

11.9 This Agreement shall be governed and construed in accordance with the laws of Manitoba and the laws of Canada applicable therein. The Parties agree to submit and attorn to the jurisdiction of the courts of Manitoba. Any reference in this Agreement to any statute will include such statute as amended.

11.10 Subject to the other terms, conditions and covenants of this Agreement, the Parties acknowledge and agree that Springhill and the Town shall each undertake and perform their respective obligations, duties, responsibilities, and liabilities under this Agreement as an independent contractor and not as an agent or representative of the other Party. It is further acknowledged and agreed that nothing in this Agreement nor in any of the acts or omissions of the Parties shall be deemed to create a joint venture or partnership relationship between the Parties, such relationship being expressly denied.

11.11 Notices

(a) Unless otherwise expressly provided in this Agreement, any notice, request, demand or other communication (collectively and individually referred to as "Notice") to be given pursuant to this Agreement shall be in writing and shall be delivered personally, sent by reputable overnight courier, sent by prepaid registered mail (except during a postal disruption or threatened postal disruption), or faxed to the intended recipient as follows:

(i) to the Town at: Town of Neepawa  
Box 339  
Neepawa, MB  
R0J 1H0  
Attention : Chief Administrative Officer  
Fax No.: (204) 476-7624

(ii) to Springhill\_at: Box 100  
La Broquerie, MB  
R0A 0W0  
Attention: CEO of Springhill Farms  
Fax No.: (204) 424-6061

and to Hytek Ltd: Box 100  
La Broquerie, MB  
R0A 0W0  
Attention: Chief Operating Officer  
Fax No: (204) 424-6061

- (b) Any Notice personally delivered shall be deemed to have been validly and effectively given on the date of such delivery provided that such day is a day that is not a statutory holiday in the Province of Manitoba ("Regular Working Day"). If such day is not a Regular Working Day, then delivery shall be deemed to have been received on the next Regular Working Day following such day. Any Notice sent by reputable overnight courier shall be deemed to be validly and effectively given on the next Regular Working Day following the day on which it was sent out by reputable overnight courier unless such courier must transport the Notice across a national boundary or provincial boundary, in which case the Notice shall be deemed to have been delivered on the second Regular Working Day after the Notice was given to the reputable overnight courier. Any Notice sent by prepaid registered mail shall be deemed to have been validly and effectively given on the fourth Regular Working Day following the day on which it was mailed provided that any day during which there is any occurrence which interferes with normal mail service shall not be considered a Regular Working Day. Any Notice sent by fax shall be deemed to have been validly and effectively given on the Regular Working Day next following the day on which it was sent.
- (c) By giving the other party at least five Regular Working Days notice thereof, any party may, at any time and from time to time, change its address and/or fax number for delivery for the purposes of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first above written.

THE TOWN OF NEEPAWA

By: *Blair G. Swatos*  
Name:  
Title: Mayor

By: *Reism Bardsley*  
Name:  
Title: Chief Administrative Officer

GOLDEN SUNRISE FOODS INC., as  
General Partner

By: *[Signature]*  
Name:  
Title:

By: *[Signature]*  
Name:  
Title: