

PURCHASE ORDER TERMS AND CONDITIONS

COCA COLA BOTTLING CO. CONSOLIDATED AND AFFILIATES

These Purchase Order Terms and Conditions (these "**Terms**") are incorporated into each purchase order ("**Purchase Order**") issued by Coca Cola Bottling Co. Consolidated ("**CCBCC**"), one of its subsidiaries or affiliates, or any entity for which CCBCC or a subsidiary or affiliate provides management or other services (the issuing company being referred to as "**Buyer**"). All documents attached to the Purchase Order are also incorporated into the Purchase Order. Buyer agrees to purchase, and the seller specified in the Purchase Order ("**Seller**") agrees to sell, solely on the terms and conditions of the Purchase Order, the goods and/or services described in the Purchase Orders. Seller will deliver to Buyer a prompt written acknowledgment of the Purchase Order. Seller will be deemed to have accepted the Purchase Order unless it delivers to Buyer a written rejection of the Purchase Order within five days after it receives the Purchase Order. The Purchase Order will be automatically deemed to incorporate these terms and conditions of purchase ("**Terms**"), regardless of whether the Purchase Order references these Terms. To the extent the terms and conditions expressly stated in the Purchase Order conflict with these Terms, the terms and conditions expressly stated in the Purchase Order will control. No term or condition of any order confirmation or any other document issued by Seller will become part of the contract between the parties or bind Buyer. Buyer's purchase of the goods and/or services is expressly conditioned on Seller's acceptance of the terms and conditions of the applicable Purchase Order, including these Terms. Buyer objects to and rejects all different and additional terms and conditions in Seller's order confirmation and other documents.

Terms and Conditions Applicable to Buyer's Purchase of Goods

1. **Delivery; Labeling**. The goods, articles, materials, supplies and equipment specified or described in the Purchase Order (the "**Goods**") will be delivered to the address specified in the Purchase Order or to such other place which Buyer will designate in writing to Seller prior to shipment, all at Seller's expense unless the Purchase Order expressly states otherwise. Seller will mark Buyer's order number, Seller's name and the point of shipment on all invoices and bills of lading for the Goods and on each package and box containing Goods. Seller will comply with all other reasonable labeling requirements for the Goods that Buyer may specify. Time is of the essence with respect the delivery of the Goods. If the Goods are not delivered within the time specified in the Purchase Order, Buyer will have the right either (a) to cancel the Purchase Order or any unfulfilled part thereof, and charge Seller with all losses and damages Buyer incurs, or (b) to accept the delayed delivery and charge Seller with all of Buyer's losses or damages resulting from such delay.
2. **Quantity**. Delivery of the Goods will be in the exact quantities stated in the Purchase Order unless otherwise specified in the Purchase Order. Buyer assumes no liability for over-shipments and will not be required to pay Seller for the excess quantities.
3. **Warranties**. Seller represents and warrants to Buyer that: (a) Seller will deliver to Buyer good, exclusive and marketable title to the Goods free and clear of all liens, security interests, claims and encumbrances; (b) for a period of 18 months after delivery, all Goods will be (i) merchantable as defined in Article 2 of the Uniform Commercial Code as adopted in the State of North Carolina and (ii) safe and appropriate for the purpose for which Goods of that kind are normally used; (c) for a period of 18 months after acceptance, the Goods will be free from defects in materials and workmanship and will comply fully with all final written descriptions, specifications, drawings and presentations Seller provides to Buyer, including those specified in the Purchase Order; (d) no federal, state or local statute,

law, rule, regulation or order will be violated in the manufacturing, packaging, selling or delivering of the Goods, including those relating to basic human rights; and (e) if Seller has been informed that Buyer intends to use the Goods supplied under the Purchase Order for a particular purpose, then Seller warrants that the Goods are fit for the particular purpose of Buyer. Seller will promptly repair or replace, at Buyer's election, all Goods that do not comply fully with the warranties in the Purchase Order and/or these Terms. If Seller fails to repair or replace any non-conforming Goods promptly, Buyer may elect to remedy any defects, and Seller will promptly reimburse Buyer for all costs Buyer incurs in doing so. Any affirmation of fact or promise made by Seller which relates to the Goods, any description of the Goods given by Seller, and any sample or model of the Goods shown by Seller are irrefutably presumed to be part of the basis of the bargain, regardless of the time at which such words of description or affirmation are made or samples are shown.

4. **Risk of Loss; Inspection; Title.** Notwithstanding any agreement by Buyer to pay shipping charges in the Purchase Order or otherwise, all risk of loss and damage to the Goods will remain with Seller until receipt and acceptance of the Goods by Buyer. Buyer will have the right to inspect the Goods before accepting them. Buyer will have a reasonable period of time after it discovers a defect or nonconformity to reject the Goods or to revoke its acceptance of the Goods. Buyer's failure to inspect the Goods before payment does not impair Buyer's right to inspect the Goods after receipt. If Buyer rejects the Goods or revokes its acceptance of the Goods and Seller does not deliver conforming Goods on or before the delivery date specified in the Purchase Order, Buyer will have the right, at Buyer's election, to terminate all or a portion of the Purchase Order and to obtain a prompt refund from Seller of all payments Buyer has made with respect to undelivered and non-conforming Goods under the Purchase Order. Seller will pay all costs Buyer incurs in rejecting Goods or revoking its acceptance of Goods. If Buyer rejects the Goods, all risk of loss and damage will shift to Seller, and Buyer may ship the Goods to Seller at Seller's expense or require Seller to pick up the Goods promptly.
5. **Manufacturer's Imprint.** No manufacturer's imprint will appear on any of the Goods furnished by Seller under the Purchase Order unless the Purchase Order states otherwise or applicable law or **Section 10** below requires otherwise.

Terms and Conditions Applicable to Buyer's Purchase of Services

6. **Warranty.** Seller represents and warrants to Buyer that: (a) Seller will perform all labor, work and services pursuant to the Purchase Order (the "**Services**") in a professional and workman like manner, in accordance with the standards or care, thoroughness and competence normally practiced by recognized firms in the industry performing Services of a similar nature, and in full compliance with all applicable plans, specifications, drawings, models and patterns Seller provides to Buyer, including those specified in the Purchase Order; (b) Seller will employ and engage only competent and experienced Personnel (as defined in **Section 7**) to perform the Services; (c) Seller will perform and complete the Services within the schedule established in the Purchase Order; and (d) no federal, state or local statute, law, rule, regulation or order will be violated in the performance of the Services.
7. **Labor.** Seller agrees to provide such personnel as are necessary to perform the Services as the Purchase Order requires (the "**Personnel**"). The Personnel may be employees of Seller or independent contractors engaged by Seller to perform the Services; **provided** that Seller will remain at all times responsible for the verification, screening, training, assignment, conduct and performance of all Personnel. Seller will cooperate with Buyer in assigning Personnel to perform the Services who are acceptable to Buyer and in removing and replacing Personnel when warranted.

8. **Deliverables.** All documentation and other deliverables, and all copyright, trade secret and other intellectual property rights therein, including all renewals, extensions and continuations, Seller prepares or delivers pursuant to the Purchase Order, or which Buyer requires Seller to supply pursuant to the Purchase Order (collectively, “**Deliverables**”), will be the property of Buyer, and Seller will have no rights in them. All Deliverables will be deemed to be "works made for hire" for Buyer. Seller hereby assigns to Buyer all rights, title and interests in all Deliverables. Seller will execute and deliver to Buyer all such further assignments and assurances confirming Seller’s ownership of all Deliverables as Buyer may request from time to time.

Terms and Conditions Applicable to All Purchases

9. **Payment.** The prices stated in the Purchase Order include all applicable federal, state and local taxes, duties and all charges for packing, loading, boxing, draying, storing, shipping and insuring the Goods and/or Services. Unless the Purchase Order expressly states otherwise, Buyer will pay Seller for the Goods and Services within 90 days after the delivery of all of Goods or the performance of all of the Services. Buyer may withhold payment, and may set off against any amount it owes Seller under the Purchase Order or any other purchase order, all amounts Seller owes Buyer under the Purchase Order and all amounts necessary to secure Buyer from potential losses based on a reasonable belief that (a) the Goods or Services will not fulfill the requirements and obligations of Seller under the Purchase Order, (b) liens, security interests, claims or encumbrances will be filed by third parties against the Goods or Services or against Buyer based on the Goods or Services, or (c) Seller is in breach of any provision of the Purchase Order.
10. **Applicable Laws; Guiding Principles.** Seller will comply fully at all times relevant to the Purchase Order with all applicable federal, state and local laws, rules, regulations, requirements, ordinances and orders, including all provisions of (a) Executive Order 11246 issued by the President of the United States of September 24, 1965; (b) the Vietnam Era Veterans Readjustment Assistance Act of 1974; (c) section 503 of the Rehabilitation Act of 1973 relating to individuals with disabilities; (d) the United States Occupational Safety and Health Act of 1970; (e) the Fair Labor Standards Act; (f) the Immigration Reform and Control Act; (g) the Equal Employment Opportunity Act of 1972; (h) 15 U.S.C. section 637(d)(3) relating to small and disadvantaged business concerns; (i) all applicable rules, regulations and orders issued under any of the foregoing; and (j) all amendments of the foregoing that may be made from time to time. In addition to the foregoing, Seller will comply fully at all times relevant to the Purchase Order with the Supplier Guiding Principles as adopted by The Coca-Cola Company from time to time. The current versions of those Supplier Guiding Principles are located at: <http://www.cocacola.com/our-company/supplier-guiding-principles>.
11. **Infringement; Indemnification.** Seller represents and warrants that Buyer's use or sale of the Goods and Services, in the form in which furnished to Buyer, will not infringe or misappropriate any patents, copyrights, trademarks, trade names trade secrets or other intellectual property rights. Seller will defend, indemnify and hold harmless Buyer and its subsidiaries and affiliates, and all of their respective directors, officers, employees, agents and guests, from and against all claims, actions, demands, penalties, losses, damages, liabilities, judgments, obligations, and attorneys’ fees and expenses arising out of or relating to: (a) any claim that the Goods or the use of the Goods by Buyer or any of its subsidiaries, affiliates or its customers infringes or misappropriates any patent, copyright, trademark, trade name, service mark, trade secret or other property right; (b) Seller’s breach of warranty or of the Purchase Order; (c) any claim that the Goods are defective; (d) any claim that Buyer or any of its subsidiaries or affiliates has or had a duty to warn a third party with respect to the Goods or Services; and (e) the actual or alleged negligence, gross negligence, recklessness or willful misconduct of Seller

or any of its contractors or agents, or any of their respective directors, officers, employees, or agents . In the case of a claim that Goods or Services are infringing or misappropriating, Seller will have the obligation, at its sole expense, to obtain promptly for Buyer the right to continue using the Goods without interference or to modify or replace the Goods or Services promptly in a manner acceptable to Buyer in its sole discretion.

12. **Confidentiality**. Seller will keep confidential, not disclose to any person or entity and not use for any purpose other than fulfilling its obligations under the Purchase Order, all drawings, plans, specification, blueprints, equipment designs or other information Buyer provides or discloses to Seller, all information regarding the Purchase Order and/or Buyer's purchases, and all other information that Buyer designates as being confidential (collectively, "**Confidential Information**"). Additionally, Seller will use reasonable efforts, no less stringent than those it uses to protect its own confidential and proprietary information, to maintain the confidentiality of the Confidential Information and to prevent its unauthorized, negligent or inadvertent use, disclosure or publication. When Seller delivers all of the Goods, or completes all of the Services, under the Purchase Order, Seller will return to Buyer all Confidential Information in the possession, custody or control of Seller, its contractors or its agents. Seller will insure that all of its employees, contractors and agents agree to be bound by, and comply with, the provisions of this **Section 12**. Seller will not use Buyer's name or the fact that Seller is selling Goods to Buyer in any press releases, media statements or public communications or otherwise publicize the Purchase Order without Buyer's prior written consent. Seller will not use Buyer's name, logos, trademarks, service marks, trade names or trade secrets in any way without Buyer's prior written consent, and Buyer will not be deemed to have granted Seller a license of, or granted Seller any rights in, any of the foregoing by issuing any Purchase Order.
13. **Insurance Requirements**. If the Purchase Order requires Seller to provide any Services or requires Seller to maintain insurance, Seller will purchase and maintain, at Seller's expense, insurance in at least the following amounts: (a) worker's compensation insurance as required by applicable law; and (b) commercial general liability ("**CGL**") insurance is at least the amount of \$1,000,000. The nature of the Purchase Order may necessitate higher amounts as Buyer may determine from time to time in its discretion. The CGL insurance policy will name Buyer and CCBC and their respective subsidiaries and affiliates as certificate holders and additional insureds. Within five days after it receives the Purchase Order, and before it begins any work on any of Buyer's sites, Seller will deliver to Buyer current and valid certificates of insurance evidencing the required insurance policies and limits and listing Buyer and CCBC and its subsidiaries as an additional insured on the CGL insurance policy. If any such insurance policy is cancelled, modified or not renewed before the expiration date listed in the policy, notice will be delivered in accordance with the policy provisions.
14. **Buyer's Property**. Except as otherwise expressly provided in the Purchase Order, all supplies, materials, models, patterns, cuts and other equipment that Buyer furnishes to Seller, or for which Buyer pays, will at all times remain the property of Buyer. Seller will bear all risk of loss and damage with respect to all of those items, normal wear and tear excepted, while such they are in Seller's possession or control.
15. **Cancellation by Force Majeure**. Buyer may cancel the Purchase Order as to any undelivered Goods or unperformed Services if Buyer's receipt or use of such Goods or Services is unreasonably delayed or the value of those Goods or Services is substantially impaired (a) by the cancellation or alteration of any applicable government contract, subcontract or specification, (b) by a change in any applicable state, federal or local law, regulation or order, (c) by any act of God, war, strike, riot, insurrection, rebellion, act of terrorism, flood, hurricane, tornado, earthquake, lightning, and other natural calamity,

(d) by the destruction of or damage to Buyer's premises, (e) by explosions or fires, or (f) by any other cause beyond Buyer's reasonable control. If Buyer cancels the Purchase Order under this **Section 15**, Seller will stop all orders for materials, all deliveries of Goods, and all Services, and Buyer will pay Seller for the Goods delivered, and Services performed, in accordance with the Purchase Order at the rates specified in the Purchase Order.

16. **Termination.** Buyer may at any time by giving Seller written notice terminate the Purchase Order or suspend, delay or interrupt all or any part of Seller's performance under the Purchase Order.
 - a. **Termination for Breach.** If Buyer terminates the Purchase Order based on Seller's breach, Buyer will not be required to accept or pay for any additional Goods or Services under the Purchase Order.
 - b. **Termination without Breach.** If Buyer terminates the Purchase Order for its convenience, Buyer will pay Seller the direct costs Seller previously incurred in good faith in performing its obligations under the Purchase Order up to and not exceeding the remaining purchase price due under the Purchase Order.
17. **Remedies Upon Breach.** Notwithstanding the provisions of **Section 17**, if Seller breaches the Purchase Order, Buyer will be entitled, in addition to any other remedy at law or equity, to recover its reasonable attorneys' fees and expenses and other costs resulting from that breach from Seller. If Buyer commits a material breach of the Purchase Order and does not cure that breach within 30 days after receiving Seller's written notice of the particular breach, Seller's exclusive remedy will be to terminate the Purchase Order by giving Buyer written notice and to recover from Buyer the direct costs Seller previously incurred in good faith in performing its obligations under the Purchase Order up to and not exceeding the remaining purchase price due under the Purchase Order.
18. **No Assignment.** Seller will not assign any of its rights or subcontract or delegate any of its obligations under the Purchase Order, in whole or in part, without the prior written consent of Buyer, and any such assignment, subcontracting or delegation without Buyer's prior written consent will be void. No such assignment, subcontracting, delegation, or written consent from Buyer will relieve Seller of any of its current or future obligations under the Purchase Order.
19. **Waiver.** Any failure at any time of either party to enforce any provision of the Purchase Order will not constitute a waiver of such provision or prejudice the right of such party to enforce such provision at any subsequent time.
20. **Choice of Law and Venue.** The Purchase Order has been negotiated, executed and delivered in, and will be deemed to have been made in, the State of North Carolina and the validity of the Purchase Order, its construction, interpretation and enforcement, and the rights of the parties under it, will be determined under, governed by and construed in accordance with the internal laws (and not the law of conflicts) of the State of North Carolina. Buyer and Seller agree that all actions or proceedings arising in connection with this Agreement will be commenced and heard only in the North Carolina state courts and the United States District Court for the Western District of North Carolina. The parties consent and submit to the jurisdiction and venue of those courts.
21. **Survival; No Third Party Beneficiary; Severability.** The provisions of **Sections 3, 6, 11, 12, 13, and 20** of the Purchase Order will survive the termination of the Purchase Order for any reason. There are no third party beneficiaries of the Purchase Order. If any provision of the Purchase Order or the

application of the Purchase Order to any person or circumstance is held invalid or unenforceable, the remainder of the Purchase Order will not be affected, and every remaining provision of the Purchase Order will be valid and binding to the fullest extent permitted by law.

22. **General.** The terms “including” and “include” will not be deemed to be limiting. The Purchase Order, including these Terms and all attachments, constitutes the entire agreement of the parties relating to the subject matter and supersedes all prior and contemporaneous understandings, agreements, courses of dealing and performance, and usages of the trade. Neither the Purchase Order nor these Terms may be modified except by a written agreement Buyer and Seller sign.