

PREMIUM FLOUR
MILLS

SUPPLY AGREEMENT CONTRACT

Contract No.: PFM-SB-2025-001 | Rev. 1.0

EXECUTED

AGREEMENT DATE

THIS AGREEMENT is made and entered into
on this **5th day of January, 2025**

CONTRACTING PARTIES

SUPPLIER:

Premium Flour Mills, Inc.
1234 Grain Road
Mill Valley, California 94941
Tax ID: 12-3456789

BUYER:

Sunshine Bakery LLC
567 Main Street
San Francisco, California 94110
Tax ID: 98-7654321

TERMS AND CONDITIONS

1. PRODUCTS AND PRICING:

The SUPPLIER agrees to provide the following products to the BUYER at the prices specified below, subject to the terms and conditions outlined in this Agreement:

Item Code	Product Description	Unit Size	Price (USD)	Origin
APF-50	All-Purpose Flour	50 lb bag	\$32.75	Domestic
WWF-50	Whole Wheat Flour	50 lb bag	\$36.50	Domestic
BRF-50	Bread Flour	50 lb bag	\$34.25	Domestic
PSF-50	Pastry Flour	50 lb bag	\$38.95	Domestic
ORF-50	Organic Rye Flour	50 lb bag	\$42.75	Organic Certified

2. VOLUME DISCOUNTS:

The BUYER is entitled to the following volume discounts based on the number of bags ordered per single purchase order:

Order Volume	Discount Rate
10-24 bags	3% discount
25-49 bags	5% discount
50+ bags	8% discount

- 2.1 Discounts apply to the total pre-tax invoice amount.
- 2.2 Discounts cannot be combined with other promotional offers unless explicitly stated in writing.
- 2.3 Volume discounts will be applied automatically based on the order quantity.

3. DELIVERY:

The SUPPLIER agrees to deliver products to the BUYER's facility on a weekly basis, scheduled for Monday mornings before 10:00 AM.

- 3.1 Delivery address: 567 Main Street, San Francisco, CA 94110.
- 3.2 In the event that a Monday falls on a national holiday, delivery will be made on the next business day.
- 3.3 The BUYER must have personnel available to receive deliveries during the specified delivery window.
- 3.4 Title and risk of loss shall pass to the BUYER upon completion of delivery at the BUYER's facility.

4. PAYMENT TERMS:

The BUYER agrees to pay for products within Net 30 days from the invoice date.

- 4.1 Invoices will be issued on the day of delivery.
- 4.2 Payments shall be made by check, ACH transfer, or other methods approved by the SUPPLIER.
- 4.3 Late payments may be subject to a 1.5% monthly interest charge on outstanding balances.

5. MINIMUM ORDER:

The BUYER agrees to order a minimum of 10 bags total per order across any combination of product types.

6. CONTRACT PERIOD:

This Agreement shall be in effect from January 15, 2025 to January 14, 2026, unless terminated earlier in accordance with the provisions set forth herein.

7. PRICE ADJUSTMENT:

The prices specified in Clause 1 shall remain fixed for the first 6 months of the contract period. Thereafter, the SUPPLIER reserves the right to adjust prices with a maximum increase of 4%, subject to 30 days written notice to the BUYER.

7.1 Any price adjustment shall be justified by increases in raw material costs, production costs, or other factors beyond the SUPPLIER's reasonable control.

7.2 The BUYER shall have the right to review documentation supporting the necessity of such price increases.

8. QUALITY STANDARDS:

All products provided under this Agreement must meet or exceed FDA and USDA standards for food grade flour.

8.1 The SUPPLIER shall maintain all necessary certifications and shall provide copies upon request.

8.2 The SUPPLIER shall implement appropriate quality control measures throughout the production process.

8.3 The BUYER reserves the right to inspect the SUPPLIER's production facilities with reasonable notice.

9. RETURNS:

The BUYER may return defective products within 7 days of delivery, subject to inspection and verification by the SUPPLIER.

9.1 The BUYER must notify the SUPPLIER in writing of any defects within 48 hours of discovery.

9.2 The SUPPLIER shall arrange for the retrieval of defective products and provide replacements within a reasonable timeframe.

9.3 Products returned due to BUYER's error shall be subject to a 15% restocking fee.

10. TERMINATION:

Either party may terminate this Agreement by providing 60 days written notice to the other party.

10.1 The SUPPLIER may terminate this Agreement immediately in the event of non-payment by the BUYER.

10.2 The BUYER may terminate this Agreement immediately if the SUPPLIER fails to meet the quality standards specified in Clause 8.

10.3 Any outstanding invoices shall remain payable regardless of termination.

FOR AND ON BEHALF OF THE
SUPPLIER:

Name: _____

Title: _____

Date: _____

FOR AND ON BEHALF OF THE BUYER:

Name: _____

Title: _____

Date: _____

This Agreement constitutes the entire understanding between the parties and supersedes all prior negotiations, undertakings, and agreements between the parties. Any modifications must be made in writing and signed by authorized representatives of both parties.