



SALES COMMUNIQUÉ – PASTEURIZED SYRUP
July 2022

Date of Sale:
July 4, 2022

Terms and conditions for the acquisition of the maple syrup
in the Producteurs et productrices acéricoles du Québec's inventory

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1 BACKGROUND

In accordance with the provisions of Article 11.05 of the Maple Syrup Marketing Agreement for the marketing years 2020-2022 (the "Agreement") approved by the Régie des marchés agricoles et alimentaires du Québec (the "RMAAQ"), and after prior consultation with the Maple Industry Council (CIE), the Québec Maple Syrup Producers (QMSP) are making maple syrup available from its inventory under specific sales conditions.

This sales release announces the specific terms and conditions of sale (prices and conditions) of maple syrup from the QSMP inventory. In accordance with the provisions of Article 11 of the Agreement approved and arbitrated by the RMAAQ, the QSMP, during the current marketing year, must announce the selling prices of maple syrup from their inventory, which includes the current year's syrup.

In addition, in accordance with the provisions of Section 4.06 of the Agreement, QMSP shall advertise to buyers the terms and conditions of sale of the industrial maple syrup they make available.

This sales release announces the terms and conditions of sale (price and conditions) of maple syrup from the QSMP inventory under the terms of the Agreement for the 2022 marketing year.

2 OBJECTIVES

The objectives of the QSMP, which have modulated the terms offered in this sales release, are summarized as follows:

1. Rebalance the proportion of syrup volumes across the different categories and color classes;
2. Foam the sales of processing grade maple syrup;
3. Retain authorized buyers who contribute to the growth of Quebec maple syrup sales.

3 TERMS AND CONDITIONS FOR ACQUISITION OF MAPLE SYRUP FROM THE INVENTORY

For the period **July 7, 2022 through November 30, 2022**, QSMP shall offer for sale volumes of maple syrup available to them according to the lots described in summary in the following table:

| # | Type of pasteurized lot | Syrup Grade (Color) | | | | Characteristics | | | Pounds | Quantity available | Comments |
|----|--|------------------------------|------|----|------|-----------------|-------|-------|-----------|--------------------|--|
| | | DO | AM | FO | TF | VR1 | VR4 | VR2 | VR5 et CT | | |
| 1 | Regular Lot — Harvesting Years 2013 to 2021 | 23 % | 31 % | | 16 % | 15 % | 15 % | | | 538 000 | Convention price + \$0.31 marketing fee |
| 2 | Potential Low Brix Lot | | 28% | | 58% | | 14% | | | 699 000 | Convention price + \$0.31 marketing fee - \$0.07 marketing discount = \$0.24 |
| 3 | Regular lot VR1 — Harvest Years 2014 to 2021 | | | | | 100 % | | | | 2 010 000 | Convention price + marketing fee \$0.27 (TF = 100%) |
| 4 | Regular Lot VR4 — Harvesting Years 2014 to 2021 | | | | | | 100 % | | | 413 000 | Convention price + marketing fee \$0.27 (FO=Dark; TF=Very Dark) |
| 5 | Organic Lot « VR1 » et « VR4 » — Harvest Years 2016 to 2021 | | | | | 68 % | 32 % | | | 4 709 000 | Agreement price + organic premium (as per agreement) + marketing fee \$0.27 (VR1 = TF = 100%, VR4 = TF at 100%) |
| 6 | Regular lot VR2 — Harvest Years 2017 to 2021 | | | | | | | 100 % | | 492 000 | Convention price - marketing fee \$0.25 (with certificate of analysis) |
| 7 | Organic Lot VR2 — Harvest Years 2017 to 2021 | | | | | | | 100 % | | 265 000 | Convention price + organic premium (as per convention) + marketing fee \$0.25 (with certificate of analysis) |
| 8 | Regular Lot Industrial (Processing) — Harvest Years 2014 to 2021 | | | | | | | | 100 % | 4 356 000 | 1.80 - \$0.55 + \$0.25 marketing fee |
| 9 | Organic Lot Industrial (Processing) — Harvest Years 2014 to 2021 | | | | | | | | 100 % | 24 500 | 1.80 - \$0.55 + organic premium (as per agreement) + \$0.25 marketing fee |
| 10 | Regular Lot — Small Buyer- from Harvest Years 2014 to 2021 | At the buyer's choice | | | | | | | | 153 750 | 250 barrels available: Convention price + \$0.45 marketing fee |
| | | | | | | | | | | 13 660 250 | |

3.1 Regular Lot — Harvesting Years 2013 to 2022

The volume available through Lot 1 is limited to **538,000 lbs.**

For Lot 1, VR1 pasteurized syrup and VR4 can be substituted with VR2 syrup.

Maple syrup is available in lots of 11 or more barrels (approximately 6,700 lbs.).

| Table 1: Regular Lot — Harvesting Years 2013 to 2021 | | | | | | | | | | | | |
|---|------------------|--------------------|--------------------------|--------------------------|-------------------------------|----------------------------|---------------|--|--------------|--------------------|------------------|--------------|
| Grade | Weighting of Lot | Light Transmission | Table Price ¹ | Grading Fee ² | CIE Contribution ³ | Marketing Fee ⁴ | Selling Price | Approximate Weighted Selling Price ⁶ | | | | |
| | | | | | | | | \$ CAN/lb | \$ CAN/lb | \$ CAN/Imp. gallon | \$ CAN/US gallon | \$ CAN/litre |
| G - Golden, Delicate Taste | 23 % | 75 % à 100 % | 2.9900 | 0.0075 | 0.0025 | 0.3100 | 3.3100 | 3.1522 | 41.77 | 34.79 | 9.19 | 1 939 |
| AM - Amber, Rich Taste | 31 % | 50 % à 74,9 % | 2.9500 | 0.0075 | 0.0025 | 0.3100 | 3.2700 | | | | | |
| D - Dark, Robust Taste | 0 % | 25 % à 49,9 % | 2.8800 | 0.0075 | 0.0025 | 0.3100 | 3.2000 | | | | | |
| VD - Very Dark, Strong Taste | 16 % | 0 % à 24,9 % | 2.5500 | 0.0075 | 0.0025 | 0.3100 | 2.8700 | | | | | |
| VR1 Defects ⁵ | 15 % | 0 % à 100 % | By category | 0.0075 | 0.0025 | 0.3100 | | | | | | |
| VR4 Defects ⁵ | 15 % | 0 % à 100 % | By category | 0.0075 | 0.0025 | 0.3100 | | | | | | |
| | 100 % | | | | | | | <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | |
| ¹ According to the convention, the price of G, AM and VD grades is increased by \$0.01 on March 1, 2022 | | | | | | | | | | | | |
| ² Grading and quality control fees. Represents half of total fees; the other half is paid by producers | | | | | | | | | | | | |
| ³ Contributions to Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec | | | | | | | | | | | | |
| ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. Remains at 0.31 per pound in 2nd round | | | | | | | | | | | | |
| ⁵ The credit is \$ 0.10 for VR1 and VR2 defects and \$ 0.25 for VR4 defects | | | | | | | | | | | | |
| ⁶ Average selling price is approximate. It varies according to actual distribution of syrup grades in the lot purchased as well as the distribution of syrups with flavour defects (VR1 and VR4). To facilitate calculation, we assume that flavour defects are distributed equally between the Amber and Dark grades, and that 50% are VR1 defects and 50% VR4 defects | | | | | | | | | | | | |
| ⁷ Selling price per barrel is based on a barrel containing 615 lbs. of syrup. | | | | | | | | | | | | |

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.2 Potential Low Brix Lot

The volume offered through this lot is limited to **699,000 lbs.**

Maple syrup is available in lots of 11 barrels or more (approximately 6,700 lbs).

| Table 2: Potential Low Brix Lot | | | | | | | | | | | | | |
|---|------------------|--------------------|--------------------------|--------------------------|-------------------------------|----------------------------|---------------|--|--------------|--------------------|------------------|--------------|----------------------------|
| Grade | Weighting of Lot | Light Transmission | Table Price ¹ | Grading Fee ² | CIE Contribution ³ | Marketing Fee ⁴ | Selling Price | Approximate Weighted Selling Price ⁶ | | | | | |
| | | | | | | | | \$ CAN/lb | \$ CAN/lb | \$ CAN/Imp. gallon | \$ CAN/US gallon | \$ CAN/litre | \$ CAN/barrel ⁷ |
| G - Golden, Delicate Taste | 0 % | 75 % à 100 % | 2.9900 | 0.0075 | 0.0025 | 0.2400 | 3.2400 | 2.9281 | 38.80 | 32.32 | 8.53 | 1 801 | |
| AM - Amber, Rich Taste | 28 % | 50 % à 74,9 % | 2.9500 | 0.0075 | 0.0025 | 0.2400 | 3.2000 | | | | | | |
| D - Dark, Robust Taste | 0 % | 25 % à 49,9 % | 2.8800 | 0.0075 | 0.0025 | 0.2400 | 3.1300 | | | | | | |
| VD - Very Dark, Strong Taste | 58 % | 0 % à 24,9 % | 2.5500 | 0.0075 | 0.0025 | 0.2400 | 2.8000 | | | | | | |
| VR1 Defects ⁵ | 0 % | 0 % à 100 % | By category | 0.0075 | 0.0025 | 0.2400 | | | | | | | |
| VR4 Defects ⁵ | 14 % | 0 % à 100 % | By category | 0.0075 | 0.0025 | 0.2400 | | | | | | | |
| | 100 % | | | | | | | | | | | | |
| | | | | | | | | <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | | |
| ¹ According to the convention, the price of G, AM and VD grades is increased by \$0.01 on March 1, 2022 | | | | | | | | | | | | | |
| ² Grading and quality control fees. Represents half of total fees; the other half is paid by producers | | | | | | | | | | | | | |
| ³ Contributions to Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec | | | | | | | | | | | | | |
| ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. Remains at 0.24 per pound in 2nd round | | | | | | | | | | | | | |
| ⁵ The credit is \$ 0.10 for VR1 and VR2 defects and \$0.25 for VR4 defects | | | | | | | | | | | | | |
| ⁶ Average selling price is approximate. It varies according to actual distribution of syrup grades in the lot purchased as well as the distribution of syrups with flavour defects (VR1 and VR4). To facilitate calculation, we assume that flavour defects are distributed equally between the Amber and Dark grades, and that 50% are VR1 defects and 50% VR4 defects | | | | | | | | | | | | | |
| ⁷ Selling price per barrel is based on a barrel containing 615 lbs. of syrup. | | | | | | | | | | | | | |

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.3 Regular lot « VR1 » — Harvest Years 2014 to 2022

The volume offered through this lot is limited to **2,010,000 lbs.**

Maple syrup is available in lots of 11 barrels or more (approximately 6,700 lbs).

| Table 3: Regular lot VR1 — Harvest Years 2014 to 2021 | | | | | | | | | | | | |
|--|------------------|--------------------|--------------------------|--------------------------|-------------------------------|----------------------------|---------------|--|--------------------|------------------|--------------|----------------------------|
| Grade | Weighting of Lot | Light Transmission | Table Price ¹ | Grading Fee ² | CIE Contribution ³ | Marketing Fee ⁴ | Selling Price | Approximate Weighted Selling Price ⁵ | | | | |
| | | | | | | | | \$ CAN/lb | \$ CAN/Imp. gallon | \$ CAN/US gallon | \$ CAN/litre | \$ CAN/barrel ⁷ |
| G - Golden, Delicate Taste | 0 % | 75 % à 100 % | 2.9900 | 0.0075 | 0.0025 | 0.2700 | 3.2700 | 3.0625 | 40.58 | 33.80 | 8.93 | 1 883 |
| AM - Amber, Rich Taste | 0 % | 50 % à 74,9 % | 2.9500 | 0.0075 | 0.0025 | 0.2700 | 3.2300 | | | | | |
| D - Dark, Robust Taste | 0 % | 25 % à 49,9 % | 2.8800 | 0.0075 | 0.0025 | 0.2700 | 3.1600 | | | | | |
| VD - Very Dark, Strong Taste | 0 % | 0 % à 24,9 % | 2.5500 | 0.0075 | 0.0025 | 0.2700 | 2.8300 | | | | | |
| VR1 Defects ⁵ | 100 % | 0 % à 100 % | By category | 0.0075 | 0.0025 | 0.2700 | | | | | | |
| VR4 Defects ⁵ | 0 % | 0 % à 100 % | By category | 0.0075 | 0.0025 | 0.2700 | | | | | | |
| | 100 % | | | | | | | <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | |
| ¹ According to the convention, the price of G, AM and VD grades is increased by \$0.01 on March 1, 2022 | | | | | | | | | | | | |
| ² Grading and quality control fees. Represents half of total fees; the other half is paid by producers | | | | | | | | | | | | |
| ³ Contributions to Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec | | | | | | | | | | | | |
| ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. Remains at 0.27 per pound in 2nd round | | | | | | | | | | | | |
| ⁵ The credit is \$ 0.10 for VR1 and VR2 defects and \$ 0.25 for VR4 defects | | | | | | | | | | | | |
| ⁶ Average selling price is approximate. It varies according to actual distribution of syrup grades in the lot purchased as well as the distribution of syrups with flavour defects (VR1 and VR4). To facilitate calculation, we assume that flavour defects are distributed equally between the Amber and Dark grades, and that 50% are VR1 defects and 50% VR4 defects | | | | | | | | | | | | |
| ⁷ Selling price per barrel is based on a barrel containing 615 lbs. of syrup. | | | | | | | | | | | | |

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.4 Regular Lot« VR4 » — Harvesting Years 2014 to 2022

The volume offered through this lot is limited to **413,000 lbs.**

Maple syrup is available in lots of 11 barrels or more (approximately 6,700 lbs).

| Grade | Weighting of Lot | Light Transmission | Table Price ¹ | Grading Fee ² | CIE Contribution ³ | Marketing Fee ⁴ | Selling Price | Approximate Weighted Selling Price ⁶ | | | | |
|--|------------------|--------------------|--------------------------|--------------------------|-------------------------------|----------------------------|---------------|--|--------------------|------------------|--------------|----------------------------|
| | | | | | | | | \$ CAN/lb | \$ CAN/imp. gallon | \$ CAN/US gallon | \$ CAN/litre | \$ CAN/barrel ⁷ |
| G - Golden, Delicate Taste | 0 % | 75 % à 100 % | 2.9900 | 0.0075 | 0.0025 | 0.2700 | 3.2700 | 3.0625 | 40.58 | 33.80 | 8.93 | 1 883 |
| AM - Amber, Rich Taste | 0 % | 50 % à 74,9 % | 2.9500 | 0.0075 | 0.0025 | 0.2700 | 3.2300 | | | | | |
| D - Dark, Robust Taste | 0 % | 25 % à 49,9 % | 2.8800 | 0.0075 | 0.0025 | 0.2700 | 3.1600 | | | | | |
| VD - Very Dark, Strong Taste | 0 % | 0 % à 24,9 % | 2.5500 | 0.0075 | 0.0025 | 0.2700 | 2.8300 | | | | | |
| VR1 Defects ⁵ | 0 % | 0 % à 100 % | By category | 0.0075 | 0.0025 | 0.2700 | | | | | | |
| VR4 Defects ⁵ | 100 % | 0 % à 100 % | By category | 0.0075 | 0.0025 | 0.2700 | | | | | | |
| | | | | | | | | <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | |
| ¹ According to the convention, the price of G, AM and VD grades is increased by \$0.01 on March 1, 2022 ² Grading and quality control fees. Represents half of total fees; the other half is paid by producers ³ Contributions to Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. Remains at 0.27 per pound in 2nd round ⁵ The credit is \$ 0.10 for VR1 and VR2 defects and \$ 0.25 for VR4 defects ⁶ Average selling price is approximate. It varies according to actual distribution of syrup grades in the lot purchased as well as the distribution of syrups with flavour defects (VR1 and VR4). To facilitate calculation, we assume that flavour defects are distributed equally between the Amber and Dark grades, and that 50% are VR1 defects and 50% VR4 defects ⁷ Selling price per barrel is based on a barrel containing 615 lbs. of syrup. | | | | | | | | | | | | |

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.5 Organic Lot « VR1 » et « VR4 » — Harvest Years 2016 to 2022

The volume offered through this lot is limited to **4,709,000 lbs.**

Maple syrup is available in lots of 11 barrels or more (approximately 6,700 lbs).

| Table 5: Organic Lot « VR1 » et « VR4 » — Harvest Years 2016 to 2021 | | | | | | | | | | | | | | |
|---|------------------|--------------------|--------------------------|--------------------------|-------------------------------|----------------------------|------------------------------|---------------|--|----------------|--------------|-------------|------------------------|--|
| Grade | Weighting of lot | Light transmission | Table price ¹ | Grading fee ² | CIE Contribution ³ | Marketing fee ⁴ | Organic premium ¹ | Selling price | Approximate weighted selling price ⁶ | | | | | |
| | | | | | | | | | \$/pound | \$/imp. gallon | \$/US gallon | \$/litre | \$/barrel ⁷ | |
| G - Golden, Delicate Taste | 0% | 75% à 100% | 2.9900 | 0.0075 | 0.0025 | 0.2700 | 0.2100 | 3.4800 | 3.2725 | 43.36 | 36.12 | 9.54 | 2 013 | |
| AM - Amber, Rich Taste | 0% | 50% à 74,9% | 2.9500 | 0.0075 | 0.0025 | 0.2700 | 0.2100 | 3.4400 | | | | | | |
| D - Dark, Robust Taste | 0% | 25% à 49,9% | 2.8800 | 0.0075 | 0.0025 | 0.2700 | 0.2100 | 3.3700 | | | | | | |
| VD - Very Dark, Strong Taste | 0% | 0% à 24,9% | 2.5500 | 0.0075 | 0.0025 | 0.2700 | 0.2100 | 3.0400 | | | | | | |
| VR1 Defects ⁵ | 68% | 0% - 100% | By category | 0.0075 | 0.0025 | 0.2700 | 0.2100 | | | | | | | |
| VR4 Defects ⁵ | 32% | 0% - 100% | By category | 0.0075 | 0.0025 | 0.2700 | 0.2100 | | | | | | | |
| | 100% | | | | | | | | <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | | |
| ¹ Base price of syrup used to determine payment to producers. Price for G, AM, D and the organic premium will increase by \$0.01 as of march 1st, 2022. ² Grading and quality control fees. Represent half of total fees; the other half is paid by producers. ³ Contributions to the Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec. ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. VR1 and VR4 defects remain at 0.27\$ per pound in the 2nd round. ⁵ The credit is \$ 0.10 for VR1 defects and \$ 0.25 for VR4 defects. ⁶ Average selling price is approximate. It varies according to actual distribution of syrup grades in the lot purchased as well as the distribution of syrups with flavour defects (VR1 and VR4). To facilitate calculation, we assume that flavour defects are distributed equally between the Amber and Dark grades, and that 50% are VR1 defects and 50% VR4 defects. ⁷ Selling price per barrel is based on a barrel containing 615 lbs of syrup. | | | | | | | | | | | | | | |

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.6 Regular lot « VR2 » — Harvest Years 2017 to 2022

The volume offered through this lot is limited to **492,000 lbs.**

Maple syrup is available in lots of 11 barrels or more (approximately 6,700 lbs).

| Table 6: Regular lot VR2 — Harvest Years 2017 to 2021 | | | | | | | | | | | | |
|---|------------------|--------------------|--------------------------|--------------------------|-------------------------------|----------------------------|---------------|--|--------------|--------------|-------------|--------------|
| Grade | Weighting of lot | Light transmission | Table price ¹ | Grading fee ² | CIE Contribution ³ | Marketing fee ⁴ | Selling price | Approximate weighted selling price ⁶ | | | | |
| | | | | | | | | \$CAN/pound | | | | |
| G - Golden, Delicate Taste | 0% | 75% à 100% | 2.9900 | 0.0075 | 0.0025 | 0.2500 | 3.2500 | 3.0425 | 40.31 | 33.58 | 8.87 | 1 871 |
| AM - Amber, Rich Taste | 0% | 50% à 74,9% | 2.9500 | 0.0075 | 0.0025 | 0.2500 | 3.2100 | | | | | |
| D - Dark, Robust Taste | 0% | 25% à 49,9% | 2.8800 | 0.0075 | 0.0025 | 0.2500 | 3.1400 | | | | | |
| VD - Very Dark, Strong Taste | 0% | 0% à 24,9% | 2.5500 | 0.0075 | 0.0025 | 0.2500 | 2.8100 | | | | | |
| VR2 Defects ⁵ | 100% | 0% - 100% | By category | 0.0075 | 0.0025 | 0.2500 | | | | | | |
| | | | | | | | | <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | |

¹ Base price of syrup used to determine payment to producers. Price for G, AM, D will increase by \$0.01 as of march 1st, 2022.

² Grading and quality control fees. Represent half of total fees; the other half is paid by producers.

³ Contributions to the Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec.

⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. **\$0.25 per pound for the VR2 defects.**

⁵ The credit is \$0.10 for VR2 defects. **A certificate of analysis will be given for each VR2 lot sold.**

⁶ Average selling price is approximate. It varies according to actual distribution of syrup grades in the lot purchased as well as the distribution of syrups with flavour defects (VR1 and VR4).
To facilitate calculation, we assume that flavour defects are distributed equally between the Amber and Dark grades, and that 50% are VR1 defects and 50% VR4 defects.

⁷ Selling price per barrel is based on a barrel containing 615 lbs of syrup.

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.7 Organic Lot VR2 — Harvest Years 2017 to 2022

The volume offered through this lot is limited to **265,000 lbs.**

Maple syrup is available in lots of 11 barrels or more (approximately 6,700 lbs).

| Grade | Weighting of lot | Light transmission | Table price ¹ | Grading fee ² | CIE Contribution ³ | Marketing fee ⁴ | Organic premium ¹ | Selling price | Approximate weighted selling price ⁶ | | | | |
|---|------------------|--------------------|--------------------------|--------------------------|-------------------------------|----------------------------|------------------------------|---------------|--|----------------|--------------|-------------|------------------------|
| | | | | | | | | | \$/pound | \$/imp. gallon | \$/US gallon | \$/litre | \$/barrel ⁷ |
| G - Golden, Delicate Taste | 0% | 75% à 100% | 2.9900 | 0.0075 | 0.0025 | 0.2500 | 0.2100 | 3.4600 | 3.2525 | 43.10 | 35.90 | 9.48 | 2 000 |
| AM - Amber, Rich Taste | 0% | 50% à 74,9% | 2.9500 | 0.0075 | 0.0025 | 0.2500 | 0.2100 | 3.4200 | | | | | |
| D - Dark, Robust Taste | 0% | 25% à 49,9% | 2.8800 | 0.0075 | 0.0025 | 0.2500 | 0.2100 | 3.3500 | | | | | |
| VD - Very Dark, Strong Taste | 0% | 0% à 24,9% | 2.5500 | 0.0075 | 0.0025 | 0.2500 | 0.2100 | 3.0200 | | | | | |
| VR2 Defects ⁵ | 100% | 0% - 100% | By category | 0.0075 | 0.0025 | 0.2500 | 0.2100 | | | | | | |
| VR4 Defects ⁵ | 0% | 0% - 100% | By category | 0.0075 | 0.0025 | 0.2500 | 0.2100 | | | | | | |
| | 100% | | | | | | | | <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | |
| ¹ Base price of syrup used to determine payment to producers. Price for G, AM, D and the organic premium will increase by \$0.01 as of march 1st, 2022. ² Grading and quality control fees. Represent half of total fees; the other half is paid by producers. ³ Contributions to the Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec. ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. VR2 defects remain at 0.25\$ per pound in the 2nd round. ⁵ The credit is \$0.10 for VR1 & VR2 defects and \$0.25 for VR4 defects. A certificate of analysis will be given for each VR2 lot sold. ⁶ Average selling price is approximate. It varies according to actual distribution of syrup grades in the lot purchased as well as the distribution of syrups with flavour defects (VR1 and VR4). ⁷ To facilitate calculation, we assume that flavour defects are distributed equally between the Amber and Dark grades, and that 50% are VR1 defects and 50% VR4 defects. ⁸ Selling price per barrel is based on a barrel containing 615 lbs of syrup. | | | | | | | | | | | | | |

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.8 Regular Lot Industrial (Processing) — Harvest Years 2014 to 2022

The volume offered through this lot is limited to **4,356,000 lbs.**

No reclassification is possible on this lot.

There is no minimum quantity specifically tied to the volume of syrup offered in the industrial lot.

Syrups from industrial batches may not be blended, directly or indirectly, with maple syrup for sale as maple syrup or maple product substitute. Industrial syrups may be used as an ingredient in food processing, in the manufacture of derivative products for human consumption and in the manufacture of derivative products for non-food uses (see Industrial Lot Sales Conditions for more details).

Processing (Industrial) lots are available to authorized buyers of industrial syrup and consist of VR5-CT5 (bud) and CT1 and CT4 defective syrups. The base price established for the Processing Grade (CT) maple syrup, as set out in the Agreement, is \$1.80/lb with a discount of \$0.55.

| Table 8: Regular Lot Industrial (Processing) — Harvest Years 2014 to 2021 | | | | | | |
|--|--------------------------|--------------------------|-------------------------------|----------------------------|-----------------------|-----------------------|
| Approximate weighted average price (\$/lb) | | | | | | |
| Grade | Table price ¹ | Grading fee ² | CIE Contribution ³ | Marketing fee ⁴ | PG Lot special credit | Total price (approx.) |
| Processing grade, regular lot | 1.80 | 0.0075 | 0.0025 | 0.25 | (0.55) | 1.51 |
| <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | | | |
| ¹ Base price of syrup used to determine payment to producers. | | | | | | |
| ² Grading and quality control fees. Represent half of total fees; the other half is paid by producers. | | | | | | |
| ³ Contributions to the Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec. | | | | | | |
| ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. | | | | | | |

An industrial lot is only available to an authorized buyer or to a buyer who agrees to comply with the following conditions:

- a) Buyer represents and warrants that any industrial lot purchased will be properly reconditioned and processed at Buyer's facility(ies) and shall be used only for industrial purposes, i.e., as an ingredient in food processing, in the manufacture of derived products for human consumption and in the manufacture of derived products for non-food uses.
- b) The buyer represents and warrants that any industrial lot purchased will not be mixed, directly or indirectly, with maple syrup for sale as maple syrup or maple syrup substitute, as defined in the Food Regulation (R.R.Q., c. P-29, r. 1), for sale to consumers.
- c) The buyer irrevocably agrees, in the event of a request from the QSMP or the RMAAQ, to allow independent auditors mandated by them to verify the use and destination of the industrial lot sold and agrees to cooperate unreservedly in such verification as provided for in Schedule E of the Agreement. In this perspective, the buyer acknowledges and agrees to personally assume the entire process of reconditioning and transformation of the industrial lot up to the final industrial use and to market it directly to the user of this ingredient or to the manufacturer of these derived products described in paragraph a) above.
- d) Buyer represents and warrants that any industrial lot purchased will be reconditioned and processed for industrial purposes by **August 1, 2023**.
- e) If the buyer wishes to purchase an industrial lot of syrup containing only syrups with low levels of invert sugars, i.e. less than 1.8% (glucometer reading of 5 mmol/litre or less according to the method developed by the ACER Centre - 10 ml dilution of syrup completed to 100 ml with potable water), a charge of \$0.03/lb. will be applied to the price of the industrial lot of syrup. Quantities of these low invert sugar lots are very limited and will be allocated based on inventory availability.

The costs of the audit in paragraph (c) above shall be borne 50% by the QSMP and 50% by the buyers.

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.9 Organic Lot Industrial (Processing) — Harvest Years 2014 to 2022

The volume offered through this lot is limited to **24,500 lbs.**

No reclassification is possible on this lot.

There is no minimum quantity specifically related to the volume of syrup offered in the industrial lot.

Syrups from industrial batches may not be mixed, directly or indirectly, with maple syrup for sale as maple syrup or maple product substitute. Industrial syrups may be used as an ingredient in food processing, in the manufacture of derivative products for human consumption and in the manufacture of derivative products for non-food uses (see Industrial Lot Sales Conditions for more details).

The processing grade (industrial) syrup lots are available to authorized industrial syrup buyers and consist of VR5-CT5 (bud) and CT1 and CT4 defective syrups. The base price established for the Processing Grade (CT) maple syrup category, as set out in the Agreement, is \$1.80/lb. plus organic premium (\$0.21) and with a discount of \$0.55.

| Table 9: Organic Lot Industrial (Processing) — Harvest Years 2014 to 2021 | | | | | | | |
|--|--------------------------|--------------------------|-------------------------------|----------------------------|-----------------|--------------------------|-----------------------|
| Approximate weighted average price (\$/lb) | | | | | | | |
| Grade | Table price ¹ | Grading fee ² | CIE Contribution ³ | Marketing fee ⁴ | Organic premium | PG Lot CT special credit | Total price (approx.) |
| Processing grade, organic lot | 1.80 | 0.0075 | 0.0025 | 0.25 | 0.21 | (0.55) | 1.72 |
| <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | | | | |
| ¹ Base price of syrup used to determine payment to producers. | | | | | | | |
| ² Grading and quality control fees. Represent half of total fees; the other half is paid by producers. | | | | | | | |
| ³ Contributions to the Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec. | | | | | | | |
| ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrels. | | | | | | | |

An industrial lot is only available to an authorized buyer or to a buyer who agrees to comply with the following conditions :

- a) The buyer represents and warrants that any industrial lot purchased will be properly reconditioned and processed in the buyer's facility(ies) and shall be used only for industrial purposes, i.e., as an ingredient in food processing, in the manufacture of derived products for human consumption and in the manufacture of derived products for non-food uses.
- b) The buyer represents and warrants that any industrial lot purchased will not be mixed, directly or indirectly, with maple syrup for sale as maple syrup or maple syrup substitute, as defined in the Food Regulation (R.R.Q., c. P-29, r. 1), for sale to consumers.
- c) The buyer irrevocably agrees, in the event of a request from the QSMP or the RMAAQ, to allow independent auditors mandated by them to verify the use and destination of the industrial lot sold and agrees to cooperate unreservedly in such verification as provided for in Schedule E of the Agreement. In this perspective, the buyer acknowledges and agrees to personally assume the entire process of reconditioning and transformation of the industrial lot up to the final industrial use and to market it directly to the user of this ingredient or to the manufacturer of these derived products described in paragraph a) above.
- d) The buyer represents and warrants that any industrial lot purchased will be reconditioned and processed for industrial purposes before August 1, 2023.
- e) If the buyer wishes to purchase an industrial lot of syrup containing only syrups with low levels of invert sugars, i.e. less than 1.8% (glucometer reading of 5 mmol/litre or less according to the method developed by the ACER Centre - 10 ml dilution of syrup completed to 100 ml with potable water), a charge of \$0.03/lb. will be applied to the price of the industrial lot syrup. Quantities of these low invert sugar lots are very limited and will be allocated based on inventory availability.

The costs of the audit in paragraph (c) above shall be borne 50% by the QSMP and 50% by the buyers.

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

3.10 Regular Lot — Small Buyer- from Harvest Years 2014 to 2022

The volume offered through this lot is limited to **153,750 lbs** (500 barrels).

| Table 10: Regular Lot — Small Buyer- from Harvest Years 2014 to 2021 | | | | | | | | | | | |
|--|--------------------|--------------------------|--------------------------|-------------------------------|----------------------------|------------------------|-------------------------------|----------------|---------------|--------------|-------------------------|
| Grade | Light transmission | Table price ¹ | Grading fee ² | CIE Contribution ³ | Marketing fee ⁴ | No-defect (VR) premium | Selling price (No VR defects) | | | | |
| | | \$/pound | | | | | \$/pound ⁵ | \$/gallon imp. | \$/gallons US | \$/litre | \$/ barrel ⁶ |
| G - Golden, Delicate taste | 75% à 100% | 2.9900 | 0.0075 | 0.0025 | 0.3000 | 0.1500 | 3.4500 | 45.7125 | 38.08 | 10.06 | 2 121.75 |
| AM - Amber, Rich taste | 50% à 74,9% | 2.9500 | 0.0075 | 0.0025 | 0.3000 | 0.1500 | 3.4100 | 45.1825 | 37.64 | 9.94 | 2 097.15 |
| D - Dark, Robust taste | 25% à 49,9% | 2.8800 | 0.0075 | 0.0025 | 0.3000 | 0.1500 | 3.3400 | 44.2550 | 36.86 | 9.73 | 2 054.10 |
| VD - Very Dark, Strong taste | 0% à 24,9% | 2.5500 | 0.0075 | 0.0025 | 0.3000 | 0.1500 | 3.0100 | 39.8825 | 33.22 | 8.77 | 1 851.15 |
| <i>All prices are EXW (Ex Works) - Laurierville (Québec) warehouse</i> | | | | | | | | | | | |
| ¹ Base price of syrup used to determine payment to producers. Price for G, AM, D will increase by \$0.01 as of March 1st, 2022. | | | | | | | | | | | |
| ² Grading and quality control fees. Represents half of total fees; the other half is paid by producers. | | | | | | | | | | | |
| ³ Contributions to the Conseil de l'industrie de l'érable (CIE) which represents authorized buyers of bulk maple syrup in Québec. | | | | | | | | | | | |
| ⁴ Fee covers handling, pasteurization, storage, and single-use, 45 imperial gallon (55 US gallon) metal barrel. | | | | | | | | | | | |
| ⁵ Organic syrup costs an additional \$0.21 per pound and \$0.22 as of March 1st, 2022. | | | | | | | | | | | |
| ⁶ Selling price per barrel is based on a barrel containing 615 lbs of syrup. | | | | | | | | | | | |

For additional terms and conditions of sale related to the purchase of syrup from the inventory, please see Section 4 of this sales release.

4 ACQUISITION AND DELIVERY

The terms and conditions set out in this press release apply up to and **including November 30, 2022**.

4.1 General Information

Please note that data on maple syrup inventory received and held by QFAPs may vary on a daily basis depending on current marketing year syrup receipts and firm purchase offers received.

Also, please note that the volumes offered (actual stock in the warehouse vs. visualized in our computer system) may be slightly different from the sales grid due to the disposal of inventories as well as the pasteurization of the syrup which will take place in July 2022.

Upon execution of a syrup purchase agreement, a number of lots, including a list of specific barrel numbers, are assigned to the signing buyer. It is expressly understood that, in the event of reclassification of syrup in the various lots, maple syrup of a given category may be reclassified to a higher or lower category and that the percentages of maple syrup of categories within a given lot may vary. QFAP assumes no obligation or responsibility in this regard. The lot will then be sold according to its actual composition.

Inventories for crop years 2013 through 2015 may contain barrels with a somewhat erroneous Brix reading. If the buyer so desires, QSMP can take the Brix reading again (reclassification) at QSMP's expense and make a weight adjustment to the new reading. If the buyer requests it, **he will be obliged to take possession**.

QSMP does not guarantee, beyond the inventories or quantities specifically announced, if any, any order.

The maple syrup is available at the QSMP warehouses located in Laurierville and Saint-Antoine-de-Tilly.

4.2 Terms of Sale

The maple syrup will be available as follows:

First round

Any authorized buyer, has the period from July 7 to July 16, 2022 at 5:00 p.m. to offer to purchase in the form of a firm, irrevocable and unconditional offer maple syrup from the inventory.

The syrup must be fully paid for before it can be picked up.

Buyers who have committed to the first round will be able to pick up their syrup at no additional cost until November 30, 2022. If the syrup is not collected within this time frame (until November 30), **an additional charge of \$0.02 per pound** will be levied in addition to the scheduled marketing fee, notwithstanding any provision to the contrary, and in particular section 4.02(d)i;

As specified in Section 11.03 (a) of the Agreement, in the event that offers to purchase from Authorized Buyers for a category of maple syrup in the QFAP inventory are greater than the quantity of syrup in that category actually available, the quantity of syrup in that category shall be allocated and sold among all Authorized Buyers who have requested the purchase in proportion to their average volume history of purchases over the past three years, all up to the quantity each has requested to purchase.

Second round

In the second phase, once the first round is completed, starting July 13, 2022, QSMP will sell the balance of the syrups offered in the first round until November 30, 2022 to any buyer, whether a licensed buyer or not. Any buyer, provided they comply with the terms of the Agreement, may acquire lots from the inventory in the form of a firm, irrevocable and unconditional offer.

Syrup must be paid for in full before it can be picked up.

In accordance with the provisions of Section 11 of the Agreement, any buyer may not acquire more than 500,000 lbs of syrup per sales release in any class at the exception of authorized buyers with a maximum of 3,000,000 lbs. if licensed. In the second round, maple syrup will be sold on a first come, first served basis.

The buyer must pick up their syrup within 30 days of their offer to purchase syrup. If the syrup is not picked up within this 30 day period, an additional charge of \$0.02 per pound, starting on the 31st day, will be billed to the buyer in addition to the scheduled marketing fee, notwithstanding any provision to the contrary, and in particular section 4.02(d)i.

4.3 Barrels

The packaged syrup will be contained in 45.76 gallon food grade single use barrels. In this case, the prices stated in this release include full ownership of the barrels. These barrels are for single use only and buyers must ensure that they will not be reused at any time to contain maple products again. In order to do so, buyers, when disposing of these barrels, must take the necessary steps to alter these containers so that they will not, at any time, become reusable. For example, these barrels could be drilled through the bottom or destroyed by a metal recycler, with proof. A buyer who does not comply with this provision will be fined \$50 per barrel if these barrels are found on the market.

4.4 Quality Control, Related Costs, and CIE Contributions

The fees related to the initial verification of the quality of the syrup (\$0.0075/lb), rendered by a specialized firm, will be added to the agreed prices in order to pay the costs of this verification.

The contributions payable to the Maple Industry Council (CIE), according to the Regulation respecting the contribution of buyers of the product covered by the Quebec Maple Syrup Producers' Joint Plan to the Maple Industry Council, currently corresponding to \$0.0025/lb, will be added to the agreed prices.

Finally, if the buyer so desires, the QSMP will proceed with an additional verification of the quality of the packaged maple syrup (not applicable to the pasteurized industrial batch). In this case, a fee of \$0.0075/lb will be added to the agreed price. Otherwise, the buyer must sign the Resolution for the purchase of unconditioned and conditioned maple syrup for which there is no request for reclassification, a copy of which is attached hereto when signing a maple syrup purchase agreement.

4.5 Buyer Eligibility

All buyers must comply with the provisions of the Agreement in order to benefit from these terms and conditions. In addition, any buyer must sign an agreement to purchase maple syrup to the full satisfaction of QFAP. A non-refundable deposit of 6% of the value of the maple syrup covered by such an agreement shall be paid upon signature of the agreement and shall be applied to the last payment due to QSMP, if any.

The maple syrup is available to any buyer who wishes to purchase it except for the following buyers:

- a) Buyers currently under investigation by QSMP for non-compliance with applicable regulations and the Agreement ;
- b) Buyers for whom QSMP have reasonable grounds to believe that they are not in compliance with applicable regulations and the Agreement.

4.6 Terms of Payment and Taking Possession of Maple Syrup

The price of the maple syrup and the costs related to quality control must be paid before taking possession of the product by means of a bank transfer to the QSMP account. The buyer, for direct export sales, must guarantee the reimbursement to QSMP of the customs fees related to the purchase transaction. Any tanking operation, if applicable, must be carried out entirely by the buyer who requests it and the latter must bear the costs. The maple syrup must be picked up at the buyers' expense at the QSMP designated warehouses, during normal business hours and with at least 24 hours notice, all no later than November 30, 2022.

The buyer must pick up their syrup within 30 days of their offer to purchase syrup. If the syrup is not picked up within this 30 day period, an additional charge of \$0.02 per pound, starting on the 31st day, will be billed to the buyer in addition to the scheduled marketing fee, notwithstanding any provision to the contrary, and in particular section 4.02(d)i.

In the second round, the buyer must pick up their syrup within 30 days of their offer to purchase syrup. If the syrup is not picked up within this 30 day period, an additional fee of \$0.02 per pound, starting on the 31st day, will be charged to the buyer in addition to the scheduled marketing fee, notwithstanding any provision to the contrary, and in particular section 4.02(d)i.

5 ADDITIONAL INFORMATION

For more information or if you have any questions about these terms and conditions, please contact our buyer services department at 1 855 679-7021, ext. 8470 or Mr. Guillaume Provost at 1 855 679-7021, ext. 8290.



Guillaume Provost
Director, Bulk Market & Research
Québec Maple Syrup Producers