

MASTER OWN BRAND SUPPLIER AGREEMENT

This Master Own Brand Supplier Agreement (the "Agreement") is entered into as of _____, 20____ by and between _____ ("Supplier") and Schnuck Markets, Inc. ("Retailer").

WHEREAS, Supplier desires to supply certain private label products to Retailer, and Retailer desires to purchase certain private label products from Supplier as more fully set forth herein.

NOW THEREFORE, in consideration of the foregoing and the covenants and conditions set forth below, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, Supplier and Retailer agree as follows:

1 SUPPLIER'S PRODUCT OBLIGATIONS

1.1 **Own Brand Products to be Supplied.** Supplier shall manufacture, package, and sell to Retailer certain products or merchandise packaged under a brand name or mark of Retailer or its Affiliate ("Own Brand Product") as such Own Brand Products and pricing are listed on the Product Term Sheet signed by the parties hereto and attached hereto as Exhibit A and incorporated herein by this reference (the "Product Term Sheet"). Such Own Brand Products shall be manufactured, packaged, and sold in accordance with this Agreement and the specifications listed on the Product Term Sheet. Supplier shall consistently maintain an inventory of Own Brand Products on hand equal to six (6) weeks beyond what has been ordered by Retailer to serve as a buffer in the event of unexpected increased demand.

In the event that Supplier desires to sell to Retailer, and Retailer desires to purchase from Supplier, additional Own Brand Products than those Own Brand Products set forth on the Product Term Sheet attached hereto as Exhibit A, Supplier and Retailer shall execute an additional product term sheet (in the form attached as Exhibit A) which (i) lists the additional Own Brand Products, the amounts to be paid by Retailer for such additional Own Brand Products and any other relevant terms and conditions, (ii) is signed by Supplier and Retailer and (iii) which specifically references this Agreement and incorporates it by reference.

Supplier agrees to provide the Own Brand Products described in any purchase order in accordance with the applicable purchase order and this Agreement. Supplier shall accept a purchase order by promptly shipping conforming Own Brand Products in accordance with this Agreement. Upon acceptance of the purchase order, Supplier shall be bound by the provisions of this Agreement, including, without limitation, all provisions set forth on the face of any applicable purchase order, whether or not Supplier acknowledges or otherwise signs the purchase order. Supplier shall provide Retailer with ninety (90) days advance written notice of any planned price increase on any Own Brand Product; provided, however, that the pricing set forth in the Product Term Sheet shall not increase, and no additional charges shall be imposed by Supplier on Retailer, unless agreed to in a new revised Product Term Sheet which has been signed by Supplier and Retailer. Any terms or conditions contained in any acknowledgment, invoice or other communication of Supplier, which are inconsistent with the terms and conditions of this Agreement are hereby rejected.

Time is of the essence in the performance of this Agreement. Unless otherwise provided on the applicable purchase order, all Own Brand Products shall be delivered F.O.B delivery point. In the event Supplier fails to deliver the Own Brand Products within the time specified, Retailer may, at its sole option, reject the Own Brand Products in whole or in part and terminate this Agreement in whole or in part. Upon Retailer's request, Supplier shall promptly provide statement of origin for all Own Brand Products and United States Customs documentation for all Private Label Products wholly or partially produced outside the United States.

The price for Own Brand Products and payment therefor shall be as set forth in the relevant Product Term Sheet. The prices of the Own Brand Products delivered hereunder, and any discounts or

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allowances therefrom, are inclusive of applicable taxes, freight, packaging, insurance, handling and all other charges, unless otherwise indicated by Retailer on the face of the purchase order. Supplier shall be responsible for all carrier charges, including sorting, segregation, detention, notification and all other similar charges.

Supplier shall provide Retailer, as and when requested by Retailer with samples of the Own Brand Products for Retailer's internal use and internal distribution (not to exceed \$2,000.00 in total value per each year during the term of this Agreement).

1.2 Inspection of Own Brand Products. Any Own Brand Product will, at Retailer's option, be subject to analysis at Retailer or at an outside laboratory chosen by Retailer and shall meet or exceed Retailer's product specifications listed on the Product Term Sheet. Upon a failure to meet these specifications, Retailer shall have the right, in its sole and absolute discretion, to remove or cause the removal of such Own Brand Product from Retailer stores or to reject such Own Brand Product, with the resulting costs of such Own Brand Product and removal to be borne by Supplier. Payment for Own Brand Products does not constitute acceptance. Retailer shall have the sole right, by reasonable inspection, to determine the merchantable condition of the Own Brand Products. Defective, non-conforming or other rejected Own Brand Products may be returned to Supplier and Supplier will reimburse Retailer for all costs incurred in connection therewith including, but not limited, to the purchase price paid for the Own Brand Products, inspection costs, transportation costs and handling costs. Own Brand Products rejected before delivery or returned as defective or non-conforming shall not be replaced except upon Retailer's written order. Within five (5) business days of receipt of the returned Own Brand Products, Supplier shall, at Retailer's option, either replace the Own Brand Products or credit Retailer's account for the same.

Separate invoices must be rendered for each purchase order. If a purchase order is divided into more than one shipment, separate invoices must be rendered for each shipment. Invoices shall be sent to the "bill to" address on the face of the purchase order. Each invoice, shipping notice, bill of lading, freight bill and correspondence shall show the purchase order number and shall separately list the Own Brand Products invoiced, quantities, unit prices and taxes (if applicable). Retailer shall pay each invoice within thirty (30) days of receipt of each invoice. Retailer shall be under no legal, contractual, or other obligation of any kind to pay any invoices or Supplier, its subcontractors, or vendors, physically received by Retailer more than ninety (90) days after delivery of the Own Brand Products to which such invoice relates and any such failure to pay shall not be deemed a default under the terms of this Agreement.

1.3 Specifications. Supplier shall provide Own Brand Product to Retailer that complies with the specifications that have been mutually agreed to between Supplier and Retailer pursuant to the Product Term Sheet. Supplier shall make no changes in the ingredients or specifications for any Own Brand Product without the prior written approval of an authorized representative of Retailer. Retailer may reject any Own Brand Product that has been changed or altered by Supplier without Retailer's prior written consent. All required testing because of any Own Brand Product change shall be completed to Retailer's satisfaction prior to shipment of any changed or reformulated Own Brand Product.

1.4 Testing. It is Supplier's responsibility to initially test all Own Brand Product to the extent necessary to assure compliance with Retailer's Own Brand Product specifications set forth in the Product Term Sheet. Supplier's technical and/or test data generated during production of Retailer Own Brand Product must be supplied to Retailer upon request. The aforementioned technical and/or test data must include a comparison of the Own Brand Product(s) vs. the relevant national brand or retail target. Thereafter, Retailer's Quality Assurance department may perform any of three (3) types of annual Own Brand testing. The nature of each laboratory test, as described below, will determine the product or package invoice amount.

1.4.1 FOOD Product Annual QA Review and Billing. Own Brand Product evaluations will be performed randomly at least once a year. Supplier agrees to pay an annual fee set

by Retailer for each food product review / evaluation conducted by Retailer's Quality Assurance department (only one item within each identical product group will be billed).

1.4.2 NON-FOOD Product Annual QA Review and Billing. Copies of non-food testing results performed by an independent testing laboratory will be submitted by Supplier when tested and/or at least every three (3) years on each Own Brand Product (only one (1) item within each identical product group needs testing). Retailer shall approve in advance the laboratory performing the foregoing tests.

1.4.3 Reformulation. All product reformulations must be tested and approved by Retailer's Quality Assurance laboratory. New product specification sheets must be provided to Retailer. All costs incurred will be the responsibility of Supplier, including any internal costs as reasonably billed by Retailer. Supplier will be responsible for any charges incurred for necessary packaging changes due to reformulation.

1.5 Coding and Package Identification. Each retail package and shipping case must be clearly marked to identify the lot and packer. Products shall also be marked with an easily understood "open code" (i.e., Sell-by, Best-by or Use-by date in month, day, and year format).

1.6 Packaging. Each Own Brand Product shall be packaged in containers using packaging material acceptable to the United States Food and Drug Administration ("FDA") and compliant with any applicable laws or regulations, and shall be adequately sealed by Supplier to insure proper product quality for the recommended shelf life of the Own Brand Product. A clean and correct label that properly identifies the Own Brand Product contained in the package shall be well positioned and neatly applied by Supplier to each container. The total packaging/label and consumer unit label shall contain all appropriate information to comply with all laws and regulations, including but not limited to: Country of Origin Labeling, the Food Safety Modernization Act (the "FSMA") and the Nutrition Labeling and Education Act.

1.6.1 Retailer's specifications for quality of the actual label, printing, inks and printing process. Supplier shall not alter any agreed upon packaging, including UPC codes, or develop new packaging without Retailer's prior written consent. After receipt of written consent from Retailer, Supplier shall be solely responsible for the costs of new package development. All intellectual property rights, including any copyrights, trademarks or artwork (to include all photography and illustrations) submitted to Supplier or otherwise associated with the Own Brand Product shall remain the exclusive property of Retailer.

1.6.2 Packaging/Label Design/ Prepress. Unless otherwise approved in writing by Retailer, Retailer or its authorized third party graphic firm will execute all packaging/ label design, and Prepress approvals. Supplier shall pay for the costs associated with packaging design at a cost of \$_____ per SKU. (This cost per SKU includes one revision made during the design process. Any further revisions that are required due to Supplier's changes will be billed directly to the Supplier). Retailer shall pay Supplier back for these packaging design costs as part of the cost of goods paid by Retailer to Supplier and these design costs shall be amortized over a two (2) year period.

1.6.3 Finished Packaging and Finished Goods Liability. Upon the termination or expiration of this Agreement, Retailer shall be liable to Supplier for the cost of finished packaging and finished goods still in the possession of Supplier at the time of expiration or termination of this Agreement; provided, however, that such liability shall not exceed an amount of finished packaging and finished goods which would have been purchased by Retailer over a period of ninety (90) days based on Retailer's purchasing history during the term of this Agreement. In the event of a design change to a packaging SKU during the term of this Agreement, Retailer shall be liable to Supplier for the cost of finished packaging of the old SKU which is still in Supplier's possession at the time the re-designed SKU begins being used by Retailer in stores; provided, however, that such liability shall not

exceed an amount of the old SKU packaging which would have been purchased by Retailer over a period of ninety (90) days based on Retailer's purchasing history during the term of this Agreement.

1.7 **Preparation of Own Brand.**

1.7.1 Supplier is responsible for advising Retailer of any changes necessary to the label, printed package or container, to maintain its integrity and compliance with current and anticipated laws, governmental regulations and guidelines.

1.7.2 Retailer will not be responsible for the reproduction, printing and manufacturing of any Retailer label, printed package or container that has not been authorized by Retailer in writing.

1.7.3 Supplier and/or its agent will be responsible for maintaining appropriate label, printed package and/or container inventories based on Retailer's sales unless otherwise specified in writing by Retailer.

1.7.4 Supplier and/or its agent will supply Retailer with label, printed package, or container inventory on a semiannual basis unless other arrangements are made in writing.

1.7.5 Retailer shall not be responsible for any quantity of labels, printed packages or containers in excess of that quantity necessary to meet Retailer's normal ninety (90) day unit sales volume and in the event that Supplier and/or its agent has printed excess labels, packages or containers for any reason, including, but not limited to, its own economical savings, Supplier must bear the financial responsibility in the event those labels, packages or containers become obsolete, illegal or are no longer needed by Retailer.

1.7.6 Nutritional labeling information is required on all Own Brand Product as provided herein and by applicable law or regulation.

1.8 **Nutritional and Product Information.** Supplier shall be responsible for the completeness and correctness of all nutritional information and all product information contained or required to be contained on any label, printed package or container. Supplier shall not be relieved of this responsibility even though Retailer or its third party graphic firm has prepared and submitted a draft, proof or other design proposal to Supplier, it being Supplier's sole responsibility to confirm the completeness and correctness of all nutritional information and all product information contained in any such draft, proof or other design proposal. In the event of a breach of this obligation that requires Retailer to redesign a cromalin or final print film, Supplier agrees to pay the costs relating to such design. As used herein, the term "nutritional information" includes, but is not limited to, nutrition facts, ingredients and the weight and other measures of nutrition facts and ingredients; the term "product information" includes, but is not limited to, any written or graphic description of the Own Brand Product, Supplier-submitted recipes, product weight or other content measures, preparation instructions and any claims relating to the Own Brand Product; and the term "completeness and correctness" includes, but is not limited to, accurate measures (within accepted tolerances), correct spelling and usage of names and terms, and full compliance with all federal, state and local laws, ordinances, rules and regulations relating to any of the foregoing. Supplier shall provide Retailer copies of test results, data and/or laboratory reports to substantiate the information contained on nutritional labels upon request.

1.9 **Contents.** Supplier shall fill each container with Own Brand Product as full as practical without impairment of product quality and in a manner consistent with common industry practices. The net contents of each container must be equal to or greater than the contents declared on the label. Retailer has a "zero tolerance" for under-weighted contents, and short-weighting will be cause for immediate removal of Own Brand Product. In addition to Retailer removing any such Own Brand

Product, Supplier shall reimburse Retailer for any cost Retailer has paid Supplier for the Own Brand Product and Supplier shall pay the related Removal Fee and any other costs under this Agreement. Supplier shall indemnify and hold Retailer harmless for any liability or costs associated with third party claims or governmental enforcement action, whether threatened or actually brought, arising from Supplier's obligations under this Section 1.9.

1.10 Recalls and Withdrawals. FDA and Supplier initiated recalls and withdrawals must be communicated IMMEDIATELY to Retailer. Goods that are the subject of a recall or withdrawal are automatically deemed defective. Retailer's Recall Policy is updated from time to time in order to maintain compliance with the Requirements. Supplier shall comply with the current version of Retailer's Recall Policy, which can be accessed at <https://vendorprofile.schnucks.com/vendor-recall-form/>. In the event Supplier recalls any Own Brand Product for any reason or in the event Retailer withdraws or rejects any Own Brand Product because it fails to conform to the requirements of this Agreement or any related Agreement, Supplier agrees to pay Retailer, by direct billing to cover Retailer's administrative and handling costs relating to all aspects of the removal of the Own Brand Product, regardless of location (i.e. warehouse, at retail, in transit) (such fee, a "Removal Fee"). Such Removal Fee shall be in addition to any other costs for which Supplier may be responsible, including without limitation shipping costs, and such Removal Fee may be increased to match actual administrative and handling costs, in Retailer's sole discretion. Additionally, Supplier shall pay Retailer a penalty equal to Five Thousand Dollars (\$5,000.00) within thirty (30) days following Supplier's notice to Retailer of the recall or withdrawal or Retailer's withdrawal or rejection of any Private Label Product because it fails to conform to the requirements of this Agreement or any related Agreement.

1.11 Extraneous Matter or Foreign or Deleterious Materials. The Own Brand Product must fall within tolerances of Defect Action Levels as defined and established by the United States Food and Drug Administration and/or the Department of Agriculture for the particular type of product. Supplier warrants that it has adequate preventive controls in place to reduce the risks of Own Brand Product contamination by extraneous, foreign, and deleterious materials.

1.12 Periodic Inspection. Retailer reserves the right to visit and/or make inspections of Supplier's facilities (or any manufacturing facilities utilized by Supplier hereunder) during normal operating hours to confirm that good manufacturing practices and sanitation standards are being followed in the preparation of Own Brand Product for Retailer. Retailer may exercise this inspection right with Retailer's employees, or may designate a third party to act on its behalf in making the visits/inspections. If Retailer uses a third party, Retailer will notify Supplier in advance of the third part(ies) Retailer may use to exercise Retailer's right to visit and inspect. Failure to comply with such practices and standards could result in the removal of Supplier from Retailer's approved supplier list and the rejection of shipped and warehoused Own Brand Product at Supplier's sole cost and expense. Supplier may be requested to furnish special product or ingredient information from time to time. This information must be forwarded to Retailer upon request.

1.13 Plant Audits. Retailer reserves the right to conduct plant audits of any and all plants and distribution centers that supply Own Brand Product to Retailer stores and/or facilities that are under the control and operation of Supplier's management. These audits will be conducted as required by auditors who are certified under any benchmarked standard under Global Food Safety Initiative ("GFSI") programs, for the purpose of determining the plant's adherence to government laws and regulations, certification program requirements, and any and all Retailer specifications, and to insure that Own Brand Product itself meets Retailer's quality specifications. Supplier will bear all costs associated with conducting the audit(s).

1.14 Universal Product Code ("UPC") Assignments. All UPC assignments will be made by an authorized Retailer representative.

1.15 Performance by Third Parties. Supplier shall identify in writing any third party involved in the manufacture or packaging of any Own Brand Product for Retailer. Neither Supplier nor any

other person or entity shall subcontract, assign or permit the manufacturing or packaging of any Own Brand Product bearing Retailer's name or logo without the prior written consent of Retailer. In the event of a disaster or other force majeure event, which prevents Supplier from fulfilling its manufacturing or packaging obligations under this Agreement, such prior written consent shall not be unreasonably withheld by Retailer. In such an event, Supplier will make arrangements to permit Retailer to exercise its rights under this Agreement, including but not limited to its rights under Sections 1.12 and 1.13 above, with respect to any third party and such arrangements shall be acceptable to Retailer, in its sole and absolute discretion, and shall be a prerequisite to Retailer's consent to such third party performance under this Section 1.15. Supplier shall require any third party to comply with all performance standards set forth herein; provided, however, that Supplier shall be responsible for the performance or non-performance of any third party engaged by Supplier hereunder and shall be jointly and severally liable for the acts, omissions or breach of this Agreement by any such third party.

1.16 Use of Retailer Name and Logo. During the term of this Agreement and at any time thereafter, Own Brand Product bearing Retailer's or any Affiliate's name or logo may not be sold, given, donated, "dumped," distributed or otherwise placed into the stream of commerce in any way without the prior written approval of an authorized Retailer representative, and Retailer shall be absolved of any and all liability for that Own Brand Product if such event occurs. In the event Supplier violates the preceding sentence of this Section 1.16, the parties agree that the monetary amount of any damages associated therewith would be difficult, if not impossible, to ascertain with any precision. Accordingly, the parties agree that in such an event, in addition to any other remedies or rights available to Retailer under the terms of this Agreement or otherwise, Supplier shall pay to Retailer the sum of Twenty Thousand Dollars (\$20,000.00), which sum shall constitute liquidated damages and not a penalty. In addition, Retailer shall be entitled to seek equitable relief (including injunctive remedies) to prohibit further violations of this Section 1.16 by Supplier. Any such Own Brand Product in Supplier's possession at the termination of this Agreement shall, at Retailer's option, either be destroyed by Supplier or sold to Retailer at a mutually agreed upon price. This Section 1.16 shall survive the termination of this Agreement.

1.17 Incentives. The incentive due hereunder shall be deemed earned on a pro-rata basis with an equal amount earned on each purchase made throughout the year, until this Agreement is terminated by either party. At the end of the term, payment of the incentive owed for the year need not be made until thirty (30) calendar days following the final Own Brand Product purchase for the year, and if such payment is not made within said thirty (30) day period, the incentive may be deducted (recouped) from the last payment owed by Retailer to Supplier for the year. Upon the termination of the Agreement all incentives earned as of the date of termination shall immediately and without further action be accelerated and due and payable in full at that time.

1.18 Retailer Marks. Supplier acknowledges that any of Retailer's or its Affiliates' rights in and to copyright, trademark, service marks, design patents, or other logos or indicia of Retailer's brand or that of its Affiliates whether registered, unregistered, or pending registration with any state or federal agency, including the United States Patent and Trademark Office (collectively, "Marks"), are the exclusive property of Retailer or its Affiliates, and that nothing in this Agreement grants Supplier or any person or entity right, title or interest therein, except for the limited right of Supplier to use Marks designated by Retailer on packaging as otherwise provided in this Agreement. Supplier's use and display of the Marks may be revoked by Retailer, in its sole discretion, at any time for breach of the conditions of this paragraph. Supplier shall not use any of the Marks as part of its business name, shall not use any other trademark, word, symbol, letter or design in combination with the Marks, and shall not attempt to register the Marks. Supplier's use of the Marks shall inure solely to Retailer's benefit, and Supplier acknowledges Retailer's ownership and validity of the Marks and agrees to take no action contrary thereto, both during the term of this Agreement and forever thereafter. Upon termination of this Agreement for any reason, all rights granted under this Agreement to use the Marks will immediately cease.

1.19 **Data Tracking and Product Information Program.** Supplier acknowledges and agrees to participate in Retailer's Brand data tracking and product information program, referred to as "Intelex." Supplier shall provide and enter all required information into the Intelex database prior to initial shipment of any Own Brand Product and before shipment of any authorized changed or reformulated Own Brand Product. It is the sole responsibility of Supplier to ensure all information is current and accurate in the database and updated annually. Changes made to a Own Brand Product's specification with Retailer's approval must be updated in Intelex no later than 30 business days after Retailer approval, and Supplier agrees to assume the risk of all liability related to or arising from inaccurate information on Intelex.

1.20 **Food Safety and Food Safety Modernization Act Requirements.** Supplier shall provide the following items and/or information to Retailer, upon Retailer's request, in order for Retailer to audit Supplier's compliance with the Food Safety Modernization Act (FSMA): its food safety plan, documented recall plan, food defense plan, environmental sampling plan, documented HACCP plan, accredited third party audits for GMPs, GAPs or GFSI certification. Supplier shall provide such items and information to the extent Retailer determines applicable and with as much detail as Retailer shall require at its sole discretion.

1.21 **Pallet Requirements.** All Own Brand Product will be palletized for shipment on third party rental pallets (e.g. CHEP, PECO, iGPS, etc.), one-way pallets, or slip sheets. All costs related thereto shall be the sole responsibility of Supplier. In the event Supplier uses a one-way pallet program, such pallets must meet Retailer's then current pallet specifications, which are subject to change from time to time at Retailer's sole and absolute discretion and shall be made available to Supplier upon request. In the event that any Own Brand Product is delivered on substandard pallets, Retailer or its third party vendor may elect to re-palletize such Own Brand Product and issue a re-palletizing charge.

1.22 **Temperature Monitoring.** Buyer has developed temperature monitoring requirements to assist with compliance with the Federal Food Safety Modernization Act ("FSMA") and other federal, state and local laws, rules and regulations (collectively, the "Requirements"). Any perishable loads received without proper temperature recorders may be rejected. Supplier acknowledges that Buyer requires the use of recorders in order to allow Buyer to review inbound shipment temperatures to confirm that those in-transit temperatures meet the Requirements, expedite the receiving process and share with Supplier all temperature related data, graphs and temperature summary information, should there be any temperature issues. Retailer's Temperature Monitoring Program can be accessed at <https://vendorprofile.schnucks.com/temperature-monitoring-requirements/>.

1.23 **Shipment by Retailer.** If Supplier and Retailer enter into a customer pick-up agreement ("CPU") where Retailer may transport the Own Brand Product from the point of manufacture or Supplier's distribution point, the CPU shall control in the event of a conflict between the CPU and this Agreement. Retailer's form CPU is attached hereto as Exhibit C.

2 GENERAL AND CONTINUING GUARANTEES

Supplier hereby covenants as follows:

2.1 that all articles shipped or delivered to Retailer, as of the time of such shipment or delivery, shall be produced, labeled, marked and shipped in compliance with all applicable federal, state and local laws, ordinances and regulations, including without limitation, the Federal Trade Commission Act; the Fair Labor Standards Act; the Federal Caustic Poison Act; the Poison Prevention Packaging Act; the Meat and Poultry Inspections Act, the Food Safety Modernization Act (FSMA) and rules and regulations issued under each such Act (including, but not limited to, with respect to FSMA, any validation, verification, records and training requirements); and in the case of imported goods, the Tariff Acts of the United States;

2.2 that the articles comprising each shipment or other delivery hereafter made by Supplier to or on the order of Retailer are hereby guaranteed, as of the date of such shipment or delivery, not to be adulterated or mislabeled within the meaning of the Federal Hazardous Substances Act, the Federal Fair Packaging and Labeling Act or the Federal Food, Drug and Cosmetic Act, as amended, or any similar state or local laws, ordinances or regulations, and are not articles which may not, under the provisions of Sections 404, 505, 512 and 301(d) of the Federal Food, Drug and Cosmetic Act, be introduced into interstate commerce;

2.3 that all color additives contained in any article hereafter received by Retailer directly or indirectly from Supplier shall be manufactured or distributed by Supplier and shall be from a batch certified in accordance with the applicable regulations promulgated under the Federal Food, Drug and Cosmetic Act, provided that this further guarantee of color additives shall not be applicable to any such color additive if the manufacturer of such additive has furnished to Retailer a guaranty signed by and containing the name and address of, the manufacturer of such color additive, to the effect that such color additive is from a batch certified in accordance with the applicable regulations promulgated under the Federal Food, Drug and Cosmetic Act;

2.4 that any pesticides comprising each shipment or other delivery hereafter made by the undersigned to or on the order of Retailer are hereby guaranteed to be lawfully registered with the United States Environmental Protection Agency and guaranteed to comply with all requirements of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, as of the date of such shipment or delivery;

2.5 that the warranties contained in the Missouri Uniform Commercial Code, § 400.1-101 RSMo, et. seq. 2015, including without limitation, the implied warranties of MERCHANTABILITY and FITNESS FOR A PARTICULAR PURPOSE, shall be applicable to all articles shipped or delivered to Retailer;

2.6 that it shall at all times during the term of this Agreement and for three (3) years thereafter, maintain and, as required by applicable federal, state or local regulations or upon the request of Retailer, and provide to Retailer material safety data sheets and any and all updates thereto, all as defined in and in accordance with 29 C.F.R. §1200 (g), for the Own Brand Product and/or any component or part thereof;

2.7 that all Own Brand Products shall conform to samples, descriptions and specifications included or referred to in this Agreement and will be saleable as goods that so conform after receipt by Retailer; and

2.8 that Private Label Products do not contain any asbestos, polychlorinated biphenyls (PCBs), lead, lead paint, mercury or any other hazardous material of any type.

If the Own Brand Product is imported from a foreign supplier, Supplier shall be the "importer" for purposes of the Foreign Supplier Verification Rule of FSMA and, in such a case, Supplier agrees to have an effective foreign supplier verification program in place, to never name Retailer as "importer", "importer of record" or any other similar designation with U.S. Customs and Border Protection, or any other governmental agency and to never utilize Retailer's DUNS number on any documentation associated with the imported product; provided, however, that should Supplier's final point of processing be in a nation state certified by the United States Department of Health and Human Services as having food safety standards equivalent to United States food safety standards – such countries being, as of the date of this Agreement, Canada, Australia and New Zealand – then the Supplier may name Retailer as "importer, "importer of record" or any other similar designation with U.S. Customs and Border Protection and any other governmental agency and may use Retailer's DUNS number on documentation associated with such imported product and Supplier and Retailer shall conform to the Modified Foreign Supplier Verification Program prescribed in the FSMA regulations.

All covenants contained herein shall survive delivery and shall not be deemed waived either by reason of Retailer's acceptance of said articles or shipment, or by payment for them. These covenants shall be and remain in full force and effect with respect to all articles shipped and delivered to Retailer. All warranties, guaranties and covenants shall run both to Retailer and to its customers and all end users or consumers of the Own Brand Products.

3. FDA REPORTING AND RECORDKEEPING REQUIREMENTS (if applicable)

3.1 Compliance with FDA Reporting and Recordkeeping Requirements. In accordance with the Dietary Supplement and Nonprescription Drug Consumer Protection Act (PL 109-462, 120 Stat. 3469), Supplier and Retailer agree to take all steps needed to ensure compliance with FDA reporting and recordkeeping requirements.

3.2 Overview of the Act. The Dietary Supplement and Nonprescription Drug Consumer Protection Act (the "Consumer Protection Act") amended the Federal Food, Drug, and Cosmetic Act by adding safety reporting requirements for "serious adverse events" associated with dietary supplements and nonprescription (over-the-counter ("OTC")) monograph human drug products in the U.S. (the "Products") without an approved application, which requirements took effect on December 22, 2007. Under the Consumer Protection Act and draft Guidance issued by the FDA, a responsible person (as defined in the Consumer Protection Act) whose name appears on the label of a dietary supplement as its distributor may, by contract, authorize the manufacturer or packer of the dietary supplement or OTC drug to submit the required adverse event reports for such dietary supplement or OTC drug to the FDA on behalf of the distributor.

3.3 Delegation of Reporting Responsibilities. Supplier and Retailer intend that Supplier will undertake the responsibility of reporting all serious adverse events pertaining to dietary supplements and OTC drugs manufactured or packaged by Supplier, to the FDA and wish to evidence such understanding by this Agreement.

3.3.1 Retailer's Reporting Obligations. Retailer agrees to: (a) report to Supplier all adverse events (whether or not serious) of which it becomes aware, within three (3) business days thereof, pertaining to the Own Brand Product(s) manufactured or packaged by Supplier; (b) collect from the report of the information, and provide to Supplier within three (3) business days thereafter, the same information (including subsequently received information) that Retailer would be required to collect were Retailer itself reporting such information directly to the FDA; and (c) authorize Supplier to report all serious adverse events on behalf of Retailer in accordance with the Consumer Protection Act.

3.3.2 Supplier's Reporting Obligations. Supplier agrees to report the foregoing serious adverse events to the FDA in accordance with the Consumer Protection Act, and to provide Retailer with an acknowledgement of the report and confirmation of Supplier's obligation to submit the report to the FDA (the "Confirmation"). Supplier may use divisions or subsidiaries of Supplier, its affiliates, or subcontractors of any of the foregoing entities to perform its reporting activities.

3.3.3 Other Obligations under the Consumer Protection Act. Retailer and Supplier understand that each has its own respective obligations and duties under the Consumer Protection Act and this Agreement is not intended to relieve either of them from such obligations and duties except as may be provided for in the Consumer Protection Act.

3.4 Procedures for Collecting Information about Adverse Events. Supplier and Retailer may from time to time establish mutually agreed upon written procedures for collecting information about serious adverse events from the reporters of the information, including information received after the initial report, and transmitting such information from Retailer to Supplier. The parties agree to complete within thirty (30) calendar days of signing this Agreement the current version of the Contact Sheet which is incorporated herein by reference and to keep it updated at all times.

Supplier will email a Confirmation only to those individuals listed in the Contact Sheet. Retailer agrees (a) to maintain a file of all adverse events reported to it; and (b) to provide a summary of this information periodically to Supplier, in the form specified by Supplier, who shall provide Retailer with a reporting schedule for each Own Brand Product, allowing Retailer at least thirty (30) calendar days for supplying the required summary information to Supplier.

3.5 Limitation of Liability and Indemnification. Supplier shall defend, indemnify and hold harmless Retailer, its Affiliates and their officers, directors, employees and agents, from and against all claims of any nature whatsoever (including all reasonable attorneys' and experts' fees and costs) resulting from Supplier's negligence, willful misconduct or misrepresentations (or Supplier's strict liability under the law) with respect to its obligations described in this Section 3.5 that result in a violation of or noncompliance with any applicable federal, state or local law, regulation or ordinance; provided, however, that Retailer notifies Supplier promptly of any such claim.

4. INDEMNIFICATION

4.1 It is the intention of both Supplier and Retailer that Retailer, its directors, shareholders, officers, employees, agents and other representatives shall not be liable or in any way responsible (a) for damage, loss or injury to any property or animals, (b) for injuries to, illness of or death of any persons, including but not limited to Supplier's employees, Retailer employees and Retailer customers and/or (c) violation of or noncompliance with any applicable federal, state, or local law, regulation or ordinance, directly or indirectly caused by or arising out of (1) the use, consumption, display, delivery and/or sale of food or consumer products provided to Retailer by Supplier, and/or (2) the actions of Supplier's employees, agents and other representatives. Supplier's indemnification obligations with respect to display of food and/or consumer products provided to Retailer by Supplier are limited to claims, liability, damage, loss, cost, injury, and expense caused by defects in the manufacturing or packaging of the food and/or consumer products.

4.2 Supplier shall assume the risk of all liability, damage, loss, costs, injury, and expense, and shall indemnify, defend and hold harmless Retailer, its directors, shareholders, officers, employees, agents and other representatives, from and against all claims, liability, damage, loss, cost, injury, and expense that may accrue to, be sustained by, or be suffered by Retailer arising out of or related to this Agreement, including but not limited to damage to person or property of Retailer, its employees, its customers, or any third party, arising from the use, consumption, display, delivery, and/or sale of food and/or consumer products (including the Own Brand Product(s)) that Supplier supplies to Retailer Supplier and/or arising from the actions of Supplier's employees, agents and other representatives. Supplier's indemnification obligations with respect to display of food and/or consumer products (including the Own Brand Product(s)) that Supplier supplies to Retailer are limited to claims, liability, damage, loss, cost, injury, and expense caused by defects in the manufacturing or packaging of the food and/or consumer products (including the Own Brand Product(s)). Supplier waives all right to make claims or file suit against Retailer, its Affiliates and their directors, shareholders, officers, employees, agents or other representatives, and Supplier relieves Retailer, its Affiliates and their directors, shareholders, officers, employees, agents and other representatives, from all liability or responsibility of any kind arising from such damage, loss, cost, injury or expense.

4.3 Supplier's indemnification obligations in this Section 4 include but are not limited to injuries to Supplier's own employees.

4.4 This Section 4 shall continue in full force as long as Supplier's foods and/or consumer products are available for use, consumption, display, delivery and/or sale and as long as and/or to the extent Supplier's employees, agents and other representatives are on Retailer's premises.

5. INSURANCE. Supplier shall at its own expense secure and maintain the following insurance with companies demonstrating an AM Best rating of no less than A-. Supplier shall make a reasonable effort to ensure that said certificates shall contain evidence that the policy or policies shall not be canceled or altered

without at least thirty (30) calendar days prior written notice to Retailer. The insurance coverage and limits required to be maintained by Supplier shall be primary and shall not contribute with any insurance coverage by Retailer. To the maximum extent permitted by applicable law, all insurance policies maintained by Supplier in accordance with this Section 5 and any other insurance maintained applicable to Supplier's performance hereunder shall provide a waiver of subrogation in favor of Retailer. Retailer, its subsidiaries and Affiliates, must be named as an additional insured on all such policies purchased by Supplier, using the following language: "By endorsement to the insured's policy, Retailer Name, and its subsidiaries and affiliates are endorsed as additional insured." This Section 5 shall continue in full force as long as Supplier's foods and/or consumer products are available for use, consumption, display, delivery and or sale and as long as and/or to the extent Supplier's employees, agents and other representatives are on Retailer's premises.

5.1 Commercial General Liability Insurance with a minimum combined single limit of liability of One Million Dollars (\$1,000,000) per occurrence per location and Two Million Dollars (\$2,000,000) aggregate for bodily injury and/or death and/or property damage and/or personal injury. This shall include products/completed operations coverage and shall also include Broad Form Contractual coverage specifically for this Agreement.

5.2 Excess coverage with respect to this Section 5 above with a minimum combined single limit of Five Million Dollars (\$5,000,000).

5.3 Product Liability Insurance in an amount of not less than Twenty-Five Million Dollars (\$25,000,000).

5.4 Worker's Compensation Insurance as required by statute.

5.5 Employer's Liability in the amount of \$1,000,000 each occurrence.

5.6 Automobile Liability Insurance bodily injury and occurrence, property injury combined and property damage liability including coverage for all owned, non-owned, hired and rented automotive equipment in the amount of \$1,000,000 each occurrence.

6. MISCELLANEOUS

6.1 Term and Termination. This Agreement shall begin on the Effective Date and shall continue unless and until terminated by Retailer. Retailer may terminate this Agreement and/or any Product Term Sheet associated with this Agreement at any time for convenience by providing at least thirty (30) days written notice. In addition, Retailer may terminate this Agreement and/or any Product Term Sheet associated with this Agreement immediately with written notice in the event of a material breach of this Agreement by Supplier or Retailer may terminate this Agreement immediately upon written notice to Supplier in the event Supplier applies for bankruptcy or other similar protection from creditors, has a petition in bankruptcy filed against it which is not dismissed within sixty (60) days after filing, is insolvent, or admits in writing its inability to pay debts as they become due. In the event that Retailer terminates this Agreement, any provision that by its nature would survive termination of this Agreement, will survive such termination.

6.2 Confidentiality and Use of Names

6.2.1 For purposes of this provision, each party will be referred to as a "Discloser" where it discloses its Confidential Information and as a "Recipient" where it receives the other party's Confidential Information. Recipient agrees to keep confidential all confidential and/or proprietary information concerning Discloser that is furnished by Discloser to Recipient in connection with this Agreement, including, but not limited to, the contents of this Agreement, any information regarding Discloser's products, projects, business, plans, programs, plants, processes, equipment, costs, customers and operations and any other

information, which, under all of the circumstances, ought reasonably to be treated as confidential and/or proprietary (collectively, "Confidential Information"). Without Discloser's prior written consent, Recipient will not disclose nor will it permit its representatives to disclose any Confidential Information to any persons other than who have a need to know such information in connection with performing its obligations under this Agreement. Recipient shall take the same measures to protect Discloser's Confidential Information that it takes to protect its own most highly confidential information, but no less than reasonable measures. The obligations of Recipient to keep confidential any Confidential Information shall continue beyond the termination of this Agreement until such Confidential Information comes into the public domain through no omission or unauthorized act of the Recipient.

6.2.2 Confidential Information shall not include information that is (a) or becomes publicly available other than as a result of a breach of this Agreement by Recipient or its representatives; (b) furnished or made known to Recipient by third parties (other than those acting on behalf of Discloser) that have the right to disclose such information without restriction on disclosure or use; (c) legitimately in Recipient's possession prior to disclosure by Discloser as confirmed by its written records; or (d) developed by Recipient without reference to the Confidential Information.

6.2.3 If Recipient is requested or becomes legally compelled to disclose any Confidential Information, Recipient shall provide Discloser with prompt written notice of the request or requirement so that Discloser may seek a protective order or other appropriate remedy. If such order or other remedy is not obtained, Recipient agrees to furnish only that portion of the Confidential Information as it is advised by counsel is legally required to be disclosed and to exercise commercially reasonable efforts to obtain assurance that confidential treatment will be accorded the Confidential Information.

6.2.4 The parties acknowledge that the breach of this Section 6.2 by one party may give rise to irreparable injury to the other party which is not adequately compensable in damages or at law. Accordingly, either party may seek injunctive relief to prevent violation of either party's respective rights or obligations under this Section 6.2.

6.2.5 Neither party shall make or permit any press release or other public disclosure regarding this Agreement or any performance provided hereunder which mentions the other party or its trademarks without the prior written consent of the other party.

6.3 Non-Solicitation. During the term of this Agreement and for a period of one (1) year following its termination, neither party shall, as a result of becoming aware of any employee of the other party who is connected with the performance of this Agreement, directly or indirectly solicit or hire (or utilize as an independent contractor) such employee; provided that neither party shall be precluded from hiring any employee who: (a) initiates discussions regarding such employment without any direct or indirect solicitation, (b) responds to any general, public advertisement, or (c) has been terminated by the other party prior to commencement of employment discussions.

6.4 Successors and Assigns. This Agreement shall be legally binding between and shall inure to the benefit of Supplier and Retailer and their respective successors and assigns.

6.5 Governing Law; Venue; Enforcement. This Agreement shall be construed and enforced according to the laws of the State of Missouri, and shall be governed by the provisions of the Uniform Commercial Code as the same have been adopted by the State of Missouri. The parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement through discussions between the respective Retailer and Supplier executives responsible for this Agreement. If these discussions are unsuccessful, the parties agree that any legal action or proceeding with respect to this Agreement (including any tort claims) will be brought either in the state court of St. Louis County, Missouri or the Federal District Court of the United States of America for the Eastern District of Missouri and by execution and delivery of this

Agreement, each party hereby consents to the jurisdiction of the aforesaid courts solely for the purpose of adjudicating its rights with respect to this Agreement or by document related thereto. Supplier agrees to pay Retailer for any expenses, attorneys' fees or costs incurred by Retailer in the course of enforcing any part of this Agreement.

6.6 Severability. It is understood and agreed by the parties that each provision of this Agreement is severable from and valid and binding regardless of the validity or invalidity of any other provision or provisions of this Agreement.

6.7 Entire Agreement: Amendments; Waiver. This Agreement and its Exhibits together constitute the entire agreement between the parties with respect to their subject matter. This Agreement may not be amended or modified except by a writing signed by both parties. The failure of either party to insist upon strict adherence to any provision of this Agreement on any occasion shall not be considered a waiver of such party's right to insist upon strict adherence to such provision thereafter or to any other provision of this Agreement in any instance. Any waiver of a party's right to insist upon strict adherence to a provision of this Agreement shall be in writing signed by a duly authorized officer of said part.

6.8 Terms of Engagement. Retailer is committed to responsible sourcing. Retailer has adopted a Supplier Terms of Engagement ("TofE"), and the TofE include Retailer's responsible sourcing requirements and an audit process for compliance with the TofE. The TofE are applicable to all Brand suppliers. By signing this Supplier Agreement, Supplier accepts and agrees to abide by the Supplier Terms of Engagement, a copy of which is attached hereto as Exhibit B and is incorporated and adopted into this Supplier Agreement as if fully set forth herein.

6.9 Independent Contractors. In entering into and complying with this Agreement, Supplier is at all times performing as an independent contractor. Nothing in this Agreement shall constitute or be construed as the creation of an agency, employment, partnership or joint venture between Supplier and Retailer.

6.10 Notice. To the extent notice is required or the parties are required to respond via written communication (collectively, "Notice"), such Notice shall be sent to the addresses set forth below (or to such other address as a party specifies to the other by written notice): (a) by certified mail, postage prepaid, return receipt requested, with such Notice deemed to have been given upon the third day after posting in the United States Mail; or (b) by national delivery service guaranteeing overnight delivery, with such Notice deemed to have been given upon the next business day; or (c) by facsimile or email transmission, with such Notice deemed to have been given upon confirmation of receipt by the other party.

If to Supplier:

Attention: _____
Phone No.: _____
Fax No.: _____

If to Retailer:

Schnuck Markets, Inc.
11420 Lackland Road
St. Louis, Missouri 63146
Attention: Jason Ulichnie
Phone No.: (314) 994-4637
Fax No. (314) 994-4412

With a copy to Schnuck Markets, Inc.
11420 Lackland Road
St. Louis, Missouri 63146
Attention: Chief Legal Officer
Phone No. (314) 994-4134
Fax No. (314) 994-4412

6.11 Execution in Counterparts. This Agreement may be executed by the parties in one (1) or more counterparts. Each counterpart, when so executed, shall be an original but all such counterparts shall constitute one (1) and the same instrument. A signed counterpart transmitted electronically shall be deemed an original for all purposes.

6.12 Subordination. Supplier hereby subordinates any presently existing or hereafter arising security interest it may have in the Own Brand Products (whether a purchase money security interest or otherwise) to the security interests now or hereafter granted by Retailer to its lenders in the ordinary course of Retailer's business, to the extent the Own Brand Products constitute collateral or other security granted to such lenders in connection therewith.

6.13 Assignment. The rights and obligations of Supplier hereunder may not be assigned, delegated or transferred without the prior, express, written consent of Retailer.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by their duly authorized representatives on the date set forth below.

SCHNUCK MARKETS, INC.

By: _____
Name: _____
Title: _____

Date: _____

By: _____
Name: _____
Title: _____

Date: _____

SCHNUCK MARKETS, INC.

By: _____
Name: _____
Title: _____

Date: _____

Exhibit A

Product Term Sheet

This product term sheet, dated _____, (the "Product Term Sheet") constitutes an addendum to the Master Own Brand Supplier Agreement, dated _____, (the "Master Agreement") between _____ ("Supplier") and Schnuck Markets, Inc. ("Retailer").

Supplier and Retailer agree that Supplier shall provide certain private label products to Retailer pursuant to the terms and conditions set forth below.

1. Products To Be Supplied: Supplier shall supply the following private label products to Retailer in the following volumes at the following prices: (list products, volumes, prices and minimum shelf life for each product when delivered by Supplier to Retailer's warehouse).
2. Term: This Product Term Sheet shall be for two (2) years commencing as of _____ and concluding on _____ or by termination of the Product Term Sheet as provided herein.
3. Termination: This Product Term Sheet may be terminated as provided in the Master Agreement.
4. Addendum: Supplier and Retailer acknowledge that this Product Term Sheet constitutes and addendum to the Master Agreement between the parties and the terms and conditions contained in the Master Agreement are hereby incorporated by this reference. In the event of a conflict between the terms and conditions of the Master Agreement and the terms and conditions of this Product Term Sheet, the terms and conditions of the Master Agreement shall control.
5. Required Signatures: Acceptance of this Product Term Sheet is not complete until all required signatures of Supplier and Retailer set forth below have been obtained. This Product Term Sheet is not binding on Supplier or Retailer until such signatures have been obtained.

SCHNUCK MARKETS, INC.

By: _____
Name: _____
Title: _____

Date: _____

By: _____
Name: _____
Title: _____

Date: _____

Exhibit B

SUPPLIER TERMS OF ENGAGEMENT

As part of its global Sustainability strategy and its commitment to integrity, it is the intent of Schnuck Markets, Inc., across all its markets, to ensure that its suppliers maintain a high standard of business ethics and regard for human rights. These Terms of Engagement set forth the minimum standards for Own Brand vendors, and are designed to ensure that the Schnuck Markets, Inc. supply chain meets these objectives. In connection with the foregoing, Supplier agrees to the following:

1. **Observing all applicable laws and regulations.** Supplier will comply with all applicable federal, state and local laws and regulations, including, but not limited to, laws relating to employment, discrimination, environment, health, and safety. Supplier must also comply with applicable federal, state and local laws relating to the import of products, including country of origin labeling, product labeling, and product testing, in addition to all contractual requirements.
2. **Business Social Compliance Initiative.** In order to ensure compliance with these Terms of Engagement by Supplier operating in or procuring products or services in countries other than the United States, Supplier must observe and conform to the Business Social Compliance Initiative (BSCI) Code of Conduct or must adopt and comply with a code or policy that includes these terms and is deemed by Schnuck Markets to be equivalent to the BSCI Code. Supplier may in certain instances be required to certify, in writing, compliance with such standard.
3. **Employment Matters.** Supplier must treat its employees fairly, and with dignity and respect and must observe the following specific requirements:
 - 3.1. **Legal Right to Collective Bargaining.** Supplier will respect the legal rights of workers to associate freely and to collectively bargain.
 - 3.2. **Prohibition of Discrimination.** Supplier will prohibit unlawful discrimination in all aspect of the employment relationship. No employee shall be subjected to any physical, sexual, psychological or verbal harassment. Supplier is expected to establish adequate complaint mechanisms for employees who believe they have been mistreated, and to ensure no retaliation against employees who raise complaints in good faith.
 - 3.3. **Compensation.** Supplier will compensate employees fairly and in compliance with all applicable local laws and regulations. Supplier shall ensure that wage and benefits composition are detailed clearly and regularly for workers; Supplier shall also ensure that wages and benefits are rendered in full compliance with all applicable laws.
 - 3.4. **Working Hours.** Supplier shall comply with all applicable local laws on working hours, including maximum allowable working hours and days, and payment for overtime hours at a premium rate.
 - 3.5. **Workplace Health and Safety.** Supplier shall adhere to regulations and procedures that are designed to ensure the safety of its employees. Such regulations and procedures must include, but are not limited to the provision and use of personal protective equipment, clean toilets, access to potable water and if appropriate, sanitary facilities for food storage shall be provided. Employees shall receive adequate training to ensure that they can perform their duties in a safe manner.
 - 3.6. **Prohibition of Child Labor.** Child labor is forbidden as defined by ILO and United Nations Conventions and/or by applicable local law. Any forms of exploitation of children are forbidden. Working conditions resembling slavery or that are harmful to children's health are forbidden. The rights of young workers must be protected. Young workers shall not be

exposed to hazardous conditions, as defined by law. Furthermore, the Supplier shall employ children only under conditions that allow them to attend and remain in school until no longer a child as defined by applicable law.

- 3.7. **Prohibition of Forced Labor, Exploitation and Excessive Disciplinary Measures.** All forms of forced labor violate basic human rights and are forbidden. The use of corporal punishment, mental or physical coercion and verbal abuse is forbidden.
4. **Environment and Safety Issues.** Procedures and standards for waste management, handling and disposal of chemicals and other dangerous materials, emissions and effluent treatment must meet or exceed minimum legal requirements.
5. **Cooperation, providing information and access.** Supplier must cooperate with Schnuck Markets, Inc. by providing reasonable information and access as requested by Schnuck Markets, Inc. to effectively monitor the Supplier's compliance with this Terms of Engagement.
6. **Subcontracting.** If Supplier hires a subcontractor in connection with providing goods or services to Schnuck Markets, Inc., the Supplier shall cause the subcontractor to comply with these Terms of Engagement.
7. **Consequence of termination.** If Supplier fails to comply with the requirements of this Terms of Engagement, and if no solutions can be agreed upon between Schnuck Markets, Inc. and the Supplier and implemented within a reasonable amount of time at Schnuck Markets sole and reasonable discretion, the Supplier will be in material breach of this Supplier Agreement.

If Schnuck Markets, Inc. terminates its relationship (including one or more of its contracts) with a supplier due to the fact that such supplier fails to meet the requirements of these Terms of Engagement, including, as applicable, the BSCI Code of Conduct, no damages shall be payable by Schnuck Markets, Inc. in connection with such termination.

Exhibit C

CUSTOMER PICK-UP AGREEMENT

THIS CUSTOMER PICK-UP AGREEMENT ("Agreement") is made and entered into as of the ____ day of _____, 20__ ("Effective Date"), by and between _____, a _____ ("Supplier") with its principal place of business at _____ and Schnuck Markets, Inc. ("Retailer"), a Missouri corporation, with its principal place of business at 11420 Lackland Road, St. Louis, Missouri 63146.

In order to provide for greater delivery efficiencies by offering customers the ability to pick-up orders at either Supplier's facilities or third-party distribution centers ("DC"), the parties agree as follows:

1. **Term:** The term will commence on the Effective Date and shall continue for a period of one (1) year. At the expiration of the original or any renewal term, this Agreement shall automatically renew for an additional one (1) year term unless earlier terminated as provided herein.
2. **Pick-Up Allowance Rate:** In consideration for Retailer picking up the ordered goods at the DC, the parties agree to Retailer receiving a stated pick-up allowance of _____.
3. **Damage and Shortage:** Supplier maintains a Shipper Load and Count process. The number of units, cases, pallets, etc., contained within the shipment, will remain undisputed by Retailer and considered delivered complete and in good order, unless Retailer contacts their Supplier Service Representative within 72 hours of product receipt regarding delivery concerns, including damage, shortage, and overage.
4. **Non-Solicitation:** During the term of this Agreement and for a period of one (1) year following its termination, neither party shall, as a result of becoming aware of any employee of the other party who is connected with the performance of this Agreement, directly or indirectly solicit or hire (or utilize as an independent contractor) such employee; provided that neither party shall be precluded from hiring any employee who: (a) initiates discussions regarding such employment without any direct or indirect solicitation, (b) responds to any general, public advertisement, or (c) has been terminated by the other party prior to commencement of employment discussions.
5. **Termination:** Either party may terminate this Agreement under the following circumstances: (a) In the event either party hereto applies for bankruptcy or other similar protection from creditors, has a petition in bankruptcy filed against it which is not dismissed within sixty (60) days after filing, is insolvent, or admits in writing its inability to pay debts as they become due, the other party may terminate this Agreement immediately upon Notice to such party; or (b) In the event of a material breach of this Agreement which is not cured within thirty (30) days after Notice of such breach, the non-breaching party may terminate this Agreement by giving Notice to the other party. Notwithstanding any provision herein to the contrary, Retailer may terminate this Agreement without cause at any time upon thirty (30) days prior written notice.
6. **Dispute Resolution; Equitable Relief:** The parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement through discussions between the respective Retailer and Supplier executives responsible for this Agreement. If these discussions are unsuccessful, the parties agree that any legal action or proceeding with respect to this Agreement (including any tort claims) will be brought either in the state court of St. Louis County, Missouri or the Federal District Court of the United States of America for the Eastern District of Missouri and by execution and delivery of this Agreement, each party hereby consents to the jurisdiction of the aforesaid courts solely for the purpose of adjudicating its rights with respect to this Agreement or by document related thereto.
7. **Attorneys' Fees:** In the event suit is brought to enforce or interpret any part of this Agreement, the prevailing party shall be entitled to recover as an element of its costs of suit, not as damages, reasonable attorney's fees and costs to be fixed by the court.

8. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

9. **Use of Names:** Neither party shall make or permit any press release or other public disclosure regarding this Agreement or any performance provided hereunder which mentions the other party or its trademarks without the prior written consent of the other party.

10. **Notice:** To the extent notice is required or the parties are required to respond via written communication (collectively, "Notice"), such Notice shall be sent to the addresses set forth below (or to such other address as a party specifies to the other by written notice): (a) by certified mail, postage prepaid, return receipt requested, with such Notice deemed to have been given upon the third day after posting in the United States Mail; or (b) by national delivery service guaranteeing overnight delivery, with such Notice deemed to have been given upon the next business day; or (c) by facsimile or email transmission, with such Notice deemed to have been given upon confirmation of receipt by the other party.

If to Supplier: _____

Attention: _____
Phone No.: _____
Fax No.: _____

If to Retailer: Schnuck Markets, Inc.
11420 Lackland Road
St. Louis, Missouri 63146
Attention: _____
Phone No.: _____
Fax No. (314) _____

With a copy to: Schnuck Markets, Inc.
11420 Lackland Road
St. Louis, Missouri 63146
Attention: Chief Legal Officer
Phone No. (314) 994-4134
Fax No. (314) 994-4412

11. **Entire Agreement:** This document, including Exhibits, constitutes the entire written expression of all terms of the parties' agreement, and supersedes all proposals, oral and written, and all other communications between the parties, in relation to the subject matter of this Agreement.

12. **Amendment:** No amendment of this Agreement, including any Exhibits hereto, shall be effective unless reduced to writing signed by both parties.

13. **Severability:** The invalidity of any provision of this Agreement as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

14. **Assignment:** The rights and obligations of either party may not be assigned or transferred without the prior, express, written consent of the other party; provided, however that Retailer may assign this Agreement to a third party without Supplier's consent when such third party acquires all or substantially all of Retailer's assets through merger, acquisition, or other business combination.

15. **Counterparts and Electronic Signatures:** The parties may execute this Agreement in counterparts, including facsimile, PDF or other electronic copies which taken together will constitute one instrument.

16. **Force Majeure:** No party shall be liable for any default or delay in performance of its obligations under this Agreement due to an act of God or other event to the extent that: (a) the non-performing party is without fault in causing such default or delay; (b) such default or delay could not have been prevented by reasonable precautions; and (c) such default or delay could not reasonably be circumvented by the non-performing party through the use of alternate sources, work around plans or other means.

17. **Waiver Clause:** The failure of any party, in any instance, to insist on strict compliance of any of the terms of this Agreement, or to exercise any right or privilege herein conferred, shall not be construed as waiving any such terms, conditions, rights or privileges but the same shall continue to remain in full force and effect.

18. **Independent Contractor:** In entering into and complying with this Agreement, Supplier is at all times performing as an independent contractor. Nothing in this Agreement shall constitute or be construed as the creation of an agency, employment, partnership or joint venture between Supplier and Retailer.

IN WITNESS WHEREOF, the parties acknowledge and agree to the foregoing this ____ day of _____, 20__.

SCHNUCK MARKETS, INC.

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____