CONTINUING COMMODITY GUARANTY AND INDEMNITY AGREEMENT TERMS AND CONDITIONS FOR ALCOHOLIC BEVERAGES

I. Warranty, Guaranty and Indemnity

In furtherance of Buyer's intent to fully protect the health and safety of the consuming public, itself and its employee's, and; In consideration of the purchase, from time to time, of various goods, including, without limitation, food, drugs, packaging materials, ingredients which will be incorporated into products (as defined below), and other commodities ("Goods") from the undersigned ("Seller") on behalf of itself, its employees, agents, affiliates, parents, and subsidiaries ("Seller Parties"), by Safeway Inc., Albertson's LLC, and New Albertson's Inc., each on behalf of itself and its subsidiaries (collectively "Buyer"), **Seller**:

A. Represents, warrants, and guarantees that, as of the date of delivery, the Goods shall: (i) not be adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, as amended, and regulations adopted thereunder (the "FD&C Act"); (ii) not be articles that are prohibited, under the provisions of Section 404 or 505 of the FD&C Act, or any successor thereto, from being introduced into interstate commerce; (iii) not be adulterated or misbranded within the meaning of, or in violation of, any disclosure or warning required under the pure food and drug or health, safety or environmental laws, regulations or ordinances of any state or other government authority which are applicable to such shipment or delivery; (iv) be in compliance with all other applicable Federal, state and local laws and regulations; and (v) be merchantable and fit for their intended purpose, and shall pass without objection in trade;

B. Represents and warrants that it has, or immediately prior to delivery shall have, title to the Goods and all rights necessary to transfer such rights and title to Buyer free of any lien, pledge, hypothecation or other encumbrance, including but not limited to all patent, copyright, trademark, service mark, and trade secret (collectively, "Intellectual Property") rights required or appropriate for its manufacture of Goods, sale of Goods to Buyer, and use or sale of Goods, as contemplated, by Buyer;

C. Agrees to provide, with respect to all Goods, all warnings required under California's Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code Section 25249.5, et seq. ("Proposition 65") (which requires that anyone who, in the course of doing business in California, knowingly or intentionally exposes an individual to chemicals known to the State to cause cancer or reproductive toxicity, give clear and reasonable warning of the presence of such chemicals) and any similar applicable law.

D. Agrees to indemnify, hold harmless, and, if requested by Buyer, to defend Buyer from and against any and all claims, demands, actions, proceedings, lawsuits, fees, costs, and expenses (including reasonable attorney fees and expenses) brought against or incurred by or on behalf of Buyer and/or Goods:

1. Arising out of or pertaining to any breach or alleged breach by Seller of the warranties set forth in paragraphs IA or IB above, including, without limitation, all liabilities, fines, penalties, imposts, losses, costs, fees, and expenses incurred by Buyer as a result thereof;

2. For or because of the injury, illness and/or death of any person or animal, or loss of or damage to any property (including, without limitation, any judgment rendered against or settlement paid by or on behalf of Buyer in any such action), that arises out of or pertains to (i) the handling, shipment, delivery, consumption or use of any Good sold or delivered by Seller Parties to Buyer, or (ii) any work performed by Seller Parties on Buyer's premises.

3. Notwithstanding any provision hereof to the contrary, Seller provides no indemnity under this Agreement against liability arising out of the sole negligence of Buyer.

E. Agrees that, in the event that the Goods, or any of them, violate or infringe upon the Intellectual Property rights of a third party, Seller shall obtain for Buyer all rights necessary for Buyer to lawfully continue using or selling the Goods as contemplated (or shall obtain for Buyer the opinion of an attorney acceptable to Buyer that such use or sale is lawful), and shall be responsible to Buyer for all consequential damages related to such infringement, including the purchase price of goods (at Buyer's cost) that Buyer is not permitted to sell.

F. Enforcement Protocol: Buyer and Seller agree that all claims by Buyer for compensation and other relief made under this Agreement, and all defenses to such claims made by Seller, shall be referred to Judicial Mediation and Arbitration Service [JAMS] for resolution in accordance with the commercial arbitration rules of JAMS. Buyer may accumulate claims against Seller for a period of up to four years from the date of claim, and all such claims may be heard in one action. Seller shall be responsible for Buyer's attorneys fees and costs, as well as for the costs of JAMS with respect to any claim on which Buyer prevails in any respect, or for which claim Seller is ordered to pay compensation to Buyer or to provide Buyer with any form of equitable relief. In the event that Buyer's claim is entirely dismissed, Buyer shall be responsible for Seller's attorneys fees and costs, as well as for the costs of JAMS with respect to such claims. The decision of JAMS shall be final and binding and may not be appealed by either party. Judgment on such claim may be entered in any court of competent jurisdiction.

II. Seller provides no warranty under paragraphs IA or IB (nor indemnity under paragraph IC) hereof against the adulteration or misbranding of any Good within the meaning of the FD&C Act or any other applicable laws or ordinances which occurs after delivery to Buyer and is not caused by any act or failure to act on the part of Seller (provided that any adulteration or misbranding which is found to exist after delivery and which is caused by any defect in the processing or packing of the Good or by any defective condition of any raw materials used in the processing or packing of the Good or by any defect in the container in which the Good is packed by Seller shall be deemed to have existed at the time of delivery);

III. Buyer shall provide reasonable notice to Seller of any seizure of the Goods or service of process in any proceeding or action alleging any act or omission contrary to the requirements of paragraphs IA or IB above.

IV. Purchase Orders; Documents; Sales

Buyer may place purchase orders ("Orders") hereunder by Electronic Data Interchange (EDI), by facsimile, or by other written means. Seller shall comply with all Buyer billing, payment, pricing, and document rules, as set forth in the Safeway Supplier Handbook (which may be downloaded at a hyperlink from http://www.safeway.com/suppliers) as it may be revised from time to time, provided that such Buyer Rules comply with the billing, payment and documentation statutes, regulations and rules of the alcoholic beverage regulatory agencies having jurisdiction over the parties and the transaction (collectively, "ABC Laws"). In the event that any Rule promulgated by Buyer is found not to comply with applicable ABC Laws, Buyer Rules shall be deemed amended to the minimum extent necessary to comply with such ABC Laws. Neither the terms of the Purchase Order nor this Agreement shall be modified by any terms set forth in an invoice or other shipping document provided by Seller.

V. General Specifications

Buyer may, from time to time, notify Seller of safety, quality, logistical and other specifications generally applicable to products or services of a particular category or type ("General Specifications"). Such General Specifications shall be deemed for all purposes to be terms of any purchase order issued by Buyer on or after the twentieth (20th) day (or such longer period as may be set forth in Buyer's notice) following such notice (the "Specification Revision Date"). Seller shall, on and after the Specification Revision Date, comply with any and all General Specifications of which it has notice or, if Seller is unable to comply, notify Buyer of the particular General Specifications with which it is unable to comply. In the event that Seller is not able, or otherwise fails, to materially comply with any General Specification, Buyer shall have the option, in its sole discretion, of terminating any purchasing arrangement or agreement Buyer may have with Seller, and such termination shall not constitute a breach of any such arrangement or agreement nor result in Buyer incurring any additional liability to Seller. General Specifications shall be posted by Buyer at http:// suppliers.safeway.com/

Buyer warrants to Seller that its General Specifications comply with ABC Laws as are applicable to the parties and to the transaction. In the event of any conflict between Buyer's General Specifications and any such ABC Law, Buyer's General Specifications shall be deemed amended to the minimum extent necessary to comply with ABC Laws, and shall, as amended, be fully enforceable.

VI. Shipment; Delivery

A. The "Ship To Arrive By Date" may be changed only with the written consent of Buyer. Buyer may cancel, without cost or further obligation to Seller, any shipment not actually delivered in accordance with the applicable purchase order by its "Ship to Arrive By Date." Seller shall notify Buyer promptly if any part of any order cannot be delivered to the delivery point by its "Ship To Arrive By Date." Seller shall ship back orders and late shipments only to the extent expressly authorized, in each instance, by Buyer.

B. Except as otherwise stated in a Purchase Order, Seller's delivery of the Good will occur, and risk of loss will pass, only when conforming Goods are delivered to the "Ship To" address and Buyer's employee or representative has signed the bill of lading or other shipping document acknowledging such receipt. If the Purchase Order designates an FOB sale with delivery to a navigable port or carrier for shipment, the terms of sale and delivery will be FOB Vessel Incoterms 2000.

C. To the extent requested by Buyer, Seller will be responsible for making all claims with the carrier for all losses or damages and/or rework expenses regardless of whether Buyer arranges carriage, designates the carrier or pays the freight.

VII. Payment

A. Unless otherwise agreed in writing between the parties, payment shall be on the terms stated in the Purchase Order and the due date of each payment shall be calculated from the date of delivery. The date of delivery shall be the date Goods are actually received at the "Ship To" address.

B. Unless otherwise stated, Buyer's purchase is for resale and Seller's pricing should not include sales, use or like taxes. If Buyer claims such sales tax exemption, Buyer will provide Seller, upon request, valid tax exemption (resale) certificates for those states where deliveries are to be made. Seller's invoicing Buyer for any tax or fee shall constitute a warranty that Seller is duly registered with the agency which levies the tax or fee. If Seller does not remit the tax or fee to the appropriate agency, or if the same tax or fee is subsequently assessed against Buyer, Seller shall reimburse Buyer for all amounts of tax or fee Buyer has remitted to Seller and Seller shall, as provided in Section 1. E., above, defend, indemnify and hold Buyer harmless against all losses, fines, penalties, interest and expenses (including reasonable attorneys' fees) related in any way to such unpaid tax or fee.

VIII. Non-Conforming Goods

Buyer may hold for disposal, or for exchange, in compliance with ABC Laws, any Goods that at the time of delivery (a) do not conform in any material respect with Buyer specifications, (b) are shipped contrary to the applicable Purchase Order,
(c) contain any defect or inadequate warnings, labeling, instructions, or safety guards, (d) violate any law, regulation, or court or administrative order, (e) fail to comply with applicable Customs requirements, or (f) infringe any third party's patent, trademark, copyright or other intellectual property right. Payment of any invoice shall not be deemed a waiver of Buyer's rights and Buyer shall be entitled to submit claims against Seller for all consequential damages to Buyer as a result of Seller's breach of this warranty in accordance with Section I.E., above. Seller shall bear all expenses and risks in connection with non-conforming goods. Buyer's rights with respect to non-conforming goods shall, without limiting such rights, extend to Goods returned by Buyer's customers for any reason stated in this Section.

IX. Recalls; Tainted Products Claims

A. If a Good, because of a condition which existed at the time of delivery (or which results from such condition), is the subject of a recall (or safety notice) initiated by Buyer, Seller, or a government or consumer protection agency, Seller shall be responsible for all costs and expenses associated with the recall or notice and shall be responsible to Buyer for all provable and consequential costs and expenses incurred by Buyer in recalling, publishing notices about, shipping and/or destroying the Good (and, where applicable, any products with which the Good has been packaged, consolidated or commingled), including refunds to customers and Buyer's net landed cost of unsold Good. All claims under this paragraph shall be processed in accordance with Section I.E., above.

B. In the event of a credible claim or potential credible claim of any defect regarding Goods or of any tampering with Goods, Seller agrees to promptly notify Buyer and to contact the FDA and/or other appropriate government agency and immediately conduct at its expense a full and complete analysis of said Goods upon Seller's receipt of notice of the claim.

C. The parties shall assist each other in all reasonable ways to resolve any claims involving Goods subject to a recall or safety notice.

X. Trademarks; Trade Dress; Service Marks

All trademarks, service marks, and trade dress of Buyer (the "Trademarks") shall be and remain the property of the owner thereof, notwithstanding any provision of this Agreement. Seller shall not use Buyer's Trademarks in connection with the sale or endorsement to any third party of any goods or services without the express prior written consent of Buyer. Seller shall issue no press release, article, or other publication with respect to transactions under this Agreement without the prior approval of such publication by Buyer. Violation of this provision will constitute an infringement of Buyer's trademark(s) and/or service mark(s), and shall entitle Buyer to equitable relief, including injunction, in addition to all remedies available at law.

XI. Labeling and Packaging

A. Seller shall not pack Buyer-branded goods until Buyer has approved the applicable package and label design ("Approved Packaging"). In the event that changes to the Approved Packaging are required by Buyer or by applicable law, or in the event that Seller ceases, for any reason, supplying certain Goods hereunder, Seller shall cease ordering or producing the discontinued Approved Packaging ("Discontinued Packaging") except as may be reasonably necessary to complete production and packaging of Goods as ordered by Buyer, and shall make good faith efforts to terminate any orders for Discontinued Packaging previously made but not yet delivered.

B. Provided that Seller is not then in material breach of this Agreement or any agreement between the parties hereto, Buyer shall purchase from Seller, at Seller's cost (on a FIFO basis and substantiated to Buyer's reasonable satisfaction), Seller's unused inventory of Discontinued Packaging, but Buyer shall not be required to purchase from Seller more than ninety days supply, at average sales volume, of Discontinued Packaging, unless the parties shall have otherwise agreed in writing. Seller shall promptly destroy any Discontinued Packaging not purchased by Buyer.

C. In order to address surpluses and shortages of packaging materials, Buyer may, from time to time, request that Seller transfer or accept transfer of certain packaging materials with third parties unaffiliated with Buyer. Seller agrees to use its best efforts to comply with such requests and to negotiate in good faith compensation based on the fair market value of packaging materials for such transfers based upon the actual cost of such packaging materials to Seller and such third party.

XII. No Salvage

Seller shall not, and Seller shall instruct its carrier and agents that they shall not, without the prior written consent of Buyer: (a) cause, suffer or permit the transfer, sale or disposal of any of Goods bearing Trademarks to any third party, including, without limitation, any insurance company; or (b) offer to sell, transfer or dispose of any such Goods, whether as salvage or otherwise, *provided, however,* that this provision shall not apply to Goods that do not bear any Trademarks.

XIII. Compliance with Laws and Standards

A. Seller represents and warrants that: (i) it is a legal entity duly organized and in good standing under the laws of the state (or other governmental entity) of its organization, with full capacity to sue and to be sued; (ii) it is authorized to enter into and be bound by the terms of this Agreement; and (iii) neither this Agreement nor Seller's performance hereof shall be a violation of applicable law or the terms of any material contract, instrument or agreement between Seller and any third party.

B. Seller represents and warrants that the Seller Parties (i) will comply with all applicable laws and local government regulations regarding alcoholic beverages, labor, child labor, minimum wage, living conditions, overtime, working conditions, and the environment, and (ii) do not use forced prison labor or the labor of children under the age of 14. Seller also agrees to comply with Buyer's Vendor Code of Conduct, as amended from time to time.

C. Seller agrees to provide such information as Buyer may reasonably request to enable Buyer to comply, and to facilitate Buyer's compliance, with applicable federal, state, and local statutes, rules, regulations, ordinances, orders, and other imperatives (collectively, "Requirements"). Seller further agrees to comply with such rules as may be promulgated by Safeway with respect to such Requirements. Seller warrants, now and as of the time of each shipment of Goods hereunder, that such information as it shall provide to Buyer under this Section XIII.C shall be true, accurate, and complete in all material respects.

XVI. Insurance

A. Seller shall obtain and maintain, at its expense for so long as it shall provide Goods hereunder, a policy or policies of Commercial General Liability insurance (including product and completed operations, personal and advertising injury and contractual liability coverage) covering the Seller Parties, with a minimum of $2,000,000 per occurrence/$4,000,000 aggregate and Products and Completed Operations written on an occurrence form with minimum limits of $2,000,000 per occurrence/$4,000,000 aggregate. Each such policy shall be underwritten by insurers rated "A-" or better by A.M. Best Company. For Sellers whose employees enter Buyer's premises, Seller shall also obtain and maintain, at its expense and for so long as such employees shall conduct such operations, a policy or policies of Workers' Compensation insurance with statutory limits and Employers' Liability (Stop-Gap Liability) insurance with minimum limits of $2,000,000 and Automobile Liability Insurance with a minimum of $2,000,000 coverage limits for each accident, including owned, non-owned and hired vehicles.

B. Seller will provide Certificates of Insurance at all times naming Buyer as "Additional Insured," with respect to General Liability and Auto Liability policies, and shall cause the Broad Form Vendor's Endorsement (ISO Form CG2015) executed in favor of Buyer to be attached to such policies. Seller shall provide the Certificates of Insurance, evidencing the required coverage, prior to receiving a Purchase Order from Buyer, and shall provide updated Certificates of Insurance when coverage is renewed or materially changed, or as may otherwise be requested from time to time by Buyer. Seller hereby warrants to Buyer that it provides insurance certificates, in substantially the form required by this paragraph, to all similarly situated retail accounts in the same trading area as Seller that request the same.

C. Policy limits may not be reduced, terms changed, or policy canceled upon less than thirty (30) days prior written notice to Buyer. Seller's insurance shall be primary with respect to all obligations assumed by the Seller pursuant to the Supply Agreement. It shall be the responsibility of the Seller to ensure that any of its agents, representatives, subcontractors and independent contractors comply with the above insurance requirements. Insurance coverage and limits referred to above shall not in any way limit the liability of the Seller.

XV. General Terms

A. This Agreement shall be governed by and construed in accordance with the laws of the state where Goods are to be delivered hereunder, exclusive of the conflict of laws provisions thereof. In the event that any term or provision hereof is held by a court having competent jurisdiction to be invalid or unenforceable, such term or provision shall be deemed severable, and the remainder hereof shall remain in full force and effect. Seller shall remain bound by this Agreement notwithstanding any assignment or attempted assignment by Seller of its interests herein. This Agreement shall be and remain binding upon the parties hereto and their respective successors and assigns.

B. No amendment, modification or waiver of any term of this Agreement shall be effective unless set forth in writing and signed by an authorized representative of the party against which such amendment, modification or waiver is sought to be enforced. This Agreement applies in addition to, and not in lieu of, any other applicable representations, warrantees, guarantees, indemnities, or other agreements between Buyer and Seller, and shall not be deemed to be modified or otherwise affected by any agreement hereafter entered into by Seller and Buyer unless specific reference to this Agreement is therein made and such modification is

signed by duly authorized representatives of each party hereto.

C. This Agreement shall be effective as of the date of execution by Seller, and shall continue in effect with respect to all Goods purchased or ordered by Buyer from Seller prior to the receipt of written notice of its revocation by Buyer. Notice of the acceptance of this Agreement is hereby waived by Seller. When executed (without modification) by Seller and delivered to Buyer, this Agreement shall supersede any previous Continuing Commodity Guaranty executed by Seller for the benefit of Buyer.

Please Fill Out Completely

Dated:_____, 20_____

By _____

Seller_____
(Company, Partnership or Business Name—please print or type)

_____
(Type or Print Name of Seller's Representative)

Address of Seller

_____
(Street and Number)

Title: _____

_____
(City) (State) (Zip)

(Please observe instructions below)

Instructions:

1. If Seller is an individual, sign individual name as the proprietor and give tradename, if any.
2. If Seller is a partnership, one general partner must sign in the partnership name.
3. If Seller is a corporation, an officer must sign and indicate title.
4. In all cases, the Agreement must be dated and the Seller's address filled in.
5. Following execution of this Agreement, please return it to: