

SUPPLIER AGREEMENT (PRODUCE)

This Supplier Agreement ("**Agreement**") is entered into by and between the undersigned supplier of goods ("**Supplier**") and Safeway Inc., Albertson's LLC, and New Albertson's Inc., each on behalf of itself and its respective subsidiaries ("**Buyer**") to memorialize their agreement with respect to adherence to specifications, compliance with certain regulations, and confidentiality in connection with the supply of various goods by Supplier to Buyer.

Buyer and Supplier agree as follows:

1. ADHERENCE TO SPECIFICATIONS.

Supplier shall ensure that all goods supplied by it to Buyer meet Buyer's specifications ("**Specifications**") applicable to such goods, as Buyer may, from time to time, in Buyer's sole discretion, amend them. Such Specifications shall remain in effect until Buyer amends its Specifications and delivers notice of such amended Specifications to Supplier. Specifications shall not be altered, changed, modified, deviated from, or waived except as approved in writing by an officer of Buyer at the level of Vice President or above. Delivery by Supplier of product that does not meet Specifications may result in removal of Supplier from Buyer's approved supplier program.

2. RIGHT TO REJECT.

Any goods from Supplier that do not strictly comply with applicable Specifications may be rejected by Buyer in accordance with the terms of the Continuing Commodity Guaranty and Indemnity Agreement ("**CCG**") between Buyer and Supplier. The determination of whether goods comply with Specifications shall be in Buyer's sole discretion.

3. COMPLIANCE WITH GAPS AND GMPS.

Supplier represents and warrants to Buyer that it has programs in place to ensure Supplier compliance with the Good Agricultural Practices ("**GAPs**") and Good Manufacturing Practices ("**GMPS**") as described in the Food and Drug Administration "*Guide to Minimize Microbial Food Safety Hazards for Fresh Fruits and Vegetables*" and in Title 21 of the Code of Federal Regulations, as the same may be amended from time to time. Supplier shall provide Buyer with written verification by an independent third party auditor of Supplier's compliance with GAPs and GMPS in accordance with Buyer's rules as described on BuyerNet for Suppliers or as otherwise notified by Buyer, as such rules may be amended from time to time.

4. CONFIDENTIALITY.

A. *Confidential Information.* Supplier shall and shall cause its employees, agents and representatives (collectively, "**Supplier Parties**") to treat as confidential all information and data, of whatever nature, relating to Buyer, including (but not limited to) Specifications, Buyer's operations, policies, procedures, techniques, accounts, personnel, other contractors and customers, disclosed by Buyer or used by Buyer in carrying on its business, as well as all proprietary information of Buyer (collectively, "**Confidential Information**").

B. *Non-disclosure.* Supplier shall not and shall cause Supplier Parties not to disclose any Confidential Information to any third party. Supplier and Supplier Parties shall disclose Confidential Information to Supplier Parties only to the extent that such Supplier Parties have a need to know such information in connection with the performance of Supplier's obligations under its supply arrangements with Buyer.

C. *Disclosure Required by Law.* In the event that Supplier is required, by order, subpoena or otherwise, by a government authority having such power, to disclose Confidential Information, Supplier shall: (i) notify Buyer of the prospective disclosure as soon as practicable, (ii) cooperate with Buyer, as appropriate, in seeking such protective orders or relief from such disclosure as may be available, (iii) request the highest level of confidentiality available for such information under the terms of the production order or any applicable protective order, and (iv) maintain the confidentiality of such Confidential Information in accordance with the terms hereof to the fullest extent practicable under the circumstances. Disclosure in accordance with this paragraph shall not, by itself, vitiate the status of such information as Confidential Information.

D. *Return of Materials.* All documents and other tangible objects containing or representing Confidential Information which have been disclosed by Buyer to Supplier, and all copies thereof which are in the possession of Supplier or Supplier Parties, shall be and remain the property of Buyer and shall be promptly returned or destroyed as and when directed by Buyer. If requested by Buyer, upon such return or destruction, Supplier shall certify in writing that all Confidential Information and any copies thereof have been returned or destroyed.

5. AUDIT, INSPECTION AND TESTING RIGHTS.

During the term of any supply arrangements between Buyer and Supplier, Buyer, or its designated representative, shall have the right, at periodic intervals and during reasonable business hours, to (1) examine all records of Supplier insofar as they relate to the supply arrangements between Supplier and Buyer; and (2) inspect, analyze and test (including, but not limited to, cutting) Supplier's goods and means and methods of production of goods. Such audit, inspection and testing rights of Buyer shall include rights of access to fields, packing houses, manufacturing facilities and any other facilities owned or operated by Supplier or by third parties who handle or otherwise manage Supplier's goods.

6. QUALITY ATTRIBUTES TESTS.

At any time and from time to time, at Buyer's request, Supplier shall, at Supplier's expense, conduct quality attributes tests in accordance with Buyer standards and methodology. Supplier shall report the results of such tests to Buyer in writing.

7. GENERAL.

This Agreement is in addition to and not in lieu of the CCG between Buyer and Supplier and the parties acknowledge and agree to remain bound by the CCG in accordance with its terms; provided, however, that in the event of any breach by Supplier of the terms of this Agreement, Buyer may, at its sole option and without breach of such agreements, terminate any other agreements between the parties regarding the supply of goods and may remove Supplier from any approved supplier program. Execution of this Agreement by the parties shall not be deemed a commitment on the part of Buyer to purchase goods from Supplier or of Supplier to supply goods to Buyer. As applicable, the terms of the CCG shall apply to this Agreement; provided, however, that this Agreement shall be governed by the law of California, exclusive of the conflicts of laws

provisions thereof, to the extent that goods are to be delivered outside of the United States.

IN WITNESS WHEREOF, the parties have, by and through their duly appointed representatives, executed this Agreement this _____ day of _____, 20__.

Company Name: _____

SAFEWAY INC.

By: _____

By: _____

Name: _____

Name: Jerry Noland

Title: _____

Title: *Vice President Food Safety and Quality Assurance*

ALBERTSON'S LLC

By: _____

Name: _____

Title: _____

NEW ALBERTSON'S INC.

By: _____

Name: _____

Title: _____