

PRODUCT VENDORS INDEMNIFICATION AGREEMENT

THIS PRODUCT VENDOR INDEMNIFICATION AGREEMENT (“Agreement”) is entered into effective as of the date last written on the signature page hereto (the “*Effective Date*”), by and between **SFM, LLC d/b/a SPROUTS FARMERS MARKET**, a Delaware limited liability company with a place of business at 5455 E. High Street., Suite 111, Phoenix, AZ 85054 (“*Sprouts*”), and the vendor set forth on the signature page hereto (“*Vendor*”).

RECITALS

- A. Sprouts is a specialty food retailer featuring fresh, natural, and organic foods, nutritional supplements, and related products.
- B. Vendor is a provider of certain products to Sprouts. As used herein, “**Products**” shall be defined as any and all goods or products provided with or without consideration by Vendor directly or indirectly to Sprouts, including, without limitation, goods or products provided to Sprouts’ customers and employees, at any time.
- C. Vendor wishes to provide, and Sprouts wishes to obtain, certain indemnities to protect the health and safety of Sprouts’ customers and employees, and/or to protect Sprouts from certain third-party claims, all under the terms of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Sprouts and Vendor hereby agree as follows.

1. INDEMNIFICATION.

1.1 Indemnification. Vendor hereby agrees to indemnify, defend and hold harmless Sprouts, its direct and indirect subsidiaries, affiliates, officers, directors, members, shareholders, agents, employees and customers (collectively, the “*Indemnitees*”) for, from, and against any and all claims, demands, threats, allegations, suits, proceedings, judgments, liabilities, fines, fees, interest, awards, settlement amounts, damages, and expenses, including without limitation reasonable attorneys’ fees and ancillary costs of defense (“*Claims*”), brought by or on behalf of any third-party arising out of, relating to or in connection with: (i) any negligent act(s) or willful misconduct of Vendor; (ii) any contractual or other relationship between Vendor and any third party; (iii) any breach by Vendor of this Agreement, any other agreement between Vendor and Sprouts or the representations or warranties contained herein or therein; (iv) any violation of law, regulation or rule by Vendor; (v) any allegation of infringement or unlawful misappropriation of any third party’s patent, copyright, trademark, or other intellectual property right (collectively, “*IP Rights*”); (vi) any violation of applicable federal, state, or local laws, regulations, codes, or rules by Vendor in connection with the performance of its obligations under this Agreement, including but not limited to laws pertaining to product development, product labeling, consumer and employee protection and safety, and employee benefits and labor laws; or (vii) any allegation that any Product or action by an employee or agent of Vendor, directly or indirectly, in whole or in part: (a) has given rise to any illness or injury to or death of any person or animal, or any damage to property or reputation; (b) has violated any applicable federal, state, local or other law, rule or regulation, including, without limitation, any regulations of the Food and Drug Administration, California’s Proposition 65, or the Consumer Product Safety Commission or other regulations enacted for the purposes of consumer protection; (c) is not merchantable or fit for its intended purpose; or (d) is in any way deficient in wholesomeness, quality, labeling, packaging or manufacture.

1.2 Certification; Label Content. With respect to each Product, Vendor hereby covenants, represents and warrants that: (i) the Products are not adulterated or misbranded; (ii) all nutritional and ingredient information, labels, packaging, and any statement, claim or other promotional materials for the Products supplied by or approved by Vendor are complete, accurate, not misleading in any respect, and in compliance with all applicable federal and state requirements; (iii) each Product shall be manufactured following current good manufacturing practice and in accordance with standards at least as high as current industry standards; (3) each Product shall be properly labeled with open code expiration date on the shipping unit and selling unit, (4) each Product’s label will have directions for use that are necessary and appropriate in a way that is easily read and understood by consumers, and each as of the date hereof and as of the date of shipment of each Product to Sprouts or its designee. With respect to the statements and claims made on the Product labels and labeling, packaging or other promotional material, Vendor certifies that it has adequate substantiation to support such statements and claims. If applicable, Vendor further certifies that each Product shall be formulated consistent with the specification sheets provided to Sprouts in all material respects as of the date hereof and as of the date of shipment of each Product to Sprouts or its designee.

1.3 Indemnification Procedures. Promptly after becoming aware thereof, Sprouts shall notify Vendor of any and all Claims subject to the foregoing Indemnification Section. Sprouts’ failure to provide notice of a Claim to Vendor under this Indemnification Procedures Section does not relieve Vendor of any liability that Vendor may have to Sprouts, but in no event shall Vendor be liable for any losses that result directly from a delay in providing notice of a Claim, by which delay materially prejudices the defense of the related third-party Claim. Vendor’s duty to defend applies immediately, regardless of whether Sprouts has paid any sums or incurred any detriment arising out of or relating to, directly or indirectly, to any Claim for which Vendor shall fully reimburse Sprouts for any costs associated with defense of the Claim. Sprouts acknowledges that Vendor shall have the option of defending (using attorneys reasonably acceptable to Sprouts) any and all matters subject to the foregoing Indemnification Section, and Vendor agrees that it shall not enter into any settlement or compromise of any action or Claim for which Sprouts seeks indemnification hereunder involving a payment or other obligation by Sprouts except with the prior written consent of Sprouts. If Vendor exercises its right to defend any such action, Sprouts shall have the right to participate in such defense using attorneys of its own choosing, at Sprouts’ sole cost and expense. If Vendor does not exercise its right to defend a Claim, or if Sprouts elects to assume the defense of a Claim, Sprouts shall have the right to defend such Claim and Vendor shall fully reimburse Sprouts for any costs associated with defense of the Claim. In the event that any Product is claimed or held to infringe, or is reasonably believed by Sprouts to infringe any IP Rights, Vendor shall also, at Sprouts’ option and Vendor’s expense, either: (i) modify the item to be non-infringing and without the loss of material features or functionality; (ii) obtain for Sprouts a license to continue using the item; (iii) replace the item with non-infringing items, while substantially complying without the loss of material features or functionality; or (iv) refund to Sprouts any fees, commissions, and expenses paid relating to applicable Products.

2. ON-SITE REPRESENTATIVES (IF APPLICABLE).

Vendor hereby agrees to indemnify, defend, and hold the Indemnitees harmless from and against any Claims brought by any employee, contractor, or agent of Vendor (each, a “*On-Site Representative*”), arising from or in connection with any activity or presence of such On-Site Representative at any Sprouts facility in connection with the provision of the Products, or the provision or demonstration of the Products or related products to customers, including without limitation any: (i) injury to such On-Site Representative or guest of On-Site Representative; and (ii) any losses or liabilities alleged by such On-Site Representative. In the event of any such Claim, Sprouts shall give notice thereof to Vendor, and the procedures set forth in the foregoing Indemnification Procedures Section above shall apply to such indemnification. The foregoing obligations stated in this On-Site Representatives Section shall continue regardless of any expiration or termination of any agreement between Sprouts and Vendor, or any provision or failure to supply Products.

3. INSURANCE.

3.1 Coverage. During the term of this Agreement and for a period of one (1) year thereafter, Vendor will obtain and maintain, at its own expense, the following policies with at least the following associated coverage:

Insurance Policy	Required Coverage (Occurrence/Aggregate)
Commercial General Liability (including broad form contractual liability, product, personal and advertising injury and intellectual property liability coverage)	\$1,000,000 / \$2,000,000
Excess (Umbrella) Liability	\$5,000,000
Workers’ Compensation	Statutory Limit
Employers Liability (Stop-Gap Liability)	\$1,000,000 for: each accident / Injury by Disease / Injury by Disease each employee
Automobile Liability (including any auto, owned, non-owned, leased and hired autos)	\$1,000,000 per occurrence
Professional Liability*	\$1,000,000

Each such policy shall be underwritten by insurers with a minimum A.M. Best Financial Strength rating of “A- (Excellent)” and Financial Size rating of “VII”, or equivalent ratings from other valid rating agencies and under forms of policies reasonably satisfactory to Sprouts. All policies must contain a waiver of subrogation in favor of SFM, LLC d/b/a Sprouts Farmers Market. Sprouts may also require, upon reasonable notice to Vendor, in its sole discretion that Vendor obtain and maintain, policies and/or coverage in addition to the coverage stated above.. Vendor’s Commercial

General Liability insurance must be written on a broad occurrence form (including, without limitation, premises-operations, broad form property damage, products/completed operations, personal injury, and advertising injury and liability assumed under an insured contract and contractual liability coverage). Vendor's Excess (Umbrella) Liability insurance shall be provided on a per occurrence basis. Vendor's Excess (Umbrella) Liability insurance coverage shall provide excess limits for the General Liability, Products Liability, Employer's Stop-Gap Liability and Automobile Liability policies and be a follow form or at least as broad as coverage to the underlying policies. Vendor shall require its agents, subcontractors, and independent contractors to comply with the insurance requirements of this Insurance Section.

** Notwithstanding anything to the contrary herein, Vendor shall only be required to obtain and maintain Professional Liability insurance if it is providing professional services to Sprouts, and in such case, Vendor must maintain said Professional Liability insurance during the term of this Agreement and for a period of three (3) years thereafter.*

3.2 Additional Insured. For all of the above listed policies, Vendor will provide Certificates of Insurance naming SFM, LLC d/b/a Sprouts Farmers Market as an "Additional Insured", on a primary and non-contributory basis to any other insurance that may be available to Sprouts Farmers Market. Vendor shall also cause a Broad Form Vendor's Endorsement (ISO Form CG2015) in favor of Sprouts to be attached to such policies. Vendor shall provide such Certificates of Insurance upon execution hereof and shall provide updated Certificates of Insurance when coverage is renewed or materially changed, as may be requested from time to time by Sprouts. Furthermore, upon Sprouts' request, Vendor shall provide certified copies of its insurance policies, including any and all endorsements.

3.3 Policy Limits. Each insurance policy required under this Agreement shall provide that its policy limits shall not be reduced, or its terms materially changed, or the policy itself canceled, without at least thirty (30) days' prior written notice to Sprouts. Vendor's insurance will be primary with respect to all obligations pursuant to this Agreement. It shall be the responsibility of the Vendor to ensure that all 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 Vendor. Any self-insured retention shall be identified on the Certificate of Insurance, with its endorsement attached. Sprouts reserves the right, in its sole discretion and upon notice to Vendor, to adjust, increase, and/or otherwise modify the insurance requirements herein.

4. RECALLS.

4.1 Process. If any Product is the subject of a recall, withdrawal, investigation notice, safety notice, product alert, or similar action initiated by Sprouts (which shall only be done in Sprouts' commercially reasonable judgment), Vendor, a government or consumer protection agency, or a consumer special interest group (the "Recalled Products"), Vendor shall be responsible for all costs and expenses associated with such recall, notice, or action, including without limitation any costs or expenses incurred for recalling, publishing notices about the recall, shipping or destroying affected products, and refunds to customers. This Section shall apply to Recalled Products where the subject of the recall is not attributable to any modification of the Recalled Product by Sprouts.

4.2 Notices. Upon learning or receiving notice of any defect in, or tampering with any Product, Vendor shall promptly notify Sprouts and, if appropriate, contact law enforcement, the Food and Drug Administration and every other appropriate government agency, and shall immediately conduct at its expense sufficient analyses of such products and shall report the results to Sprouts promptly and in writing.

4.3 Credit and Reimbursement. Any credits for Recalled Products will be issued to Sprouts within fourteen (14) days of the removal of said Recalled Products. In the event of a recall, Vendor shall pay to Sprouts an amount equal to \$20 for each of Sprouts' stores where a Recalled Product is located, or \$50 for each of Sprouts' stores where a Recalled Product is located if Vendor or a government agency directs Sprouts to dispose of such Recalled Products; the parties intend that these amounts constitute compensation for Sprouts' reasonable expenses in handling and/or disposing of such Recalled Products, and not as a penalty. If Sprouts does not receive the credit and/or reimbursement within this fourteen (14) day term, Sprouts shall have the right to offset such amounts from any monies due by Sprouts to Vendor.

4.4 Cooperation. The parties shall assist each other in all reasonable ways to resolve any claims involving any Products that are subject to a recall or safety notice.

5. COMPLIANCE WITH LAW.

5.1 Warranties. Vendor represents and warrants that: (i) it is a legal entity duly organized and in good

standing under the laws of the state (or other political subdivision) 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; (iii) neither this Agreement nor Vendor's performance hereof or Vendor's Products shall be in violation of applicable law or the terms of any contract, instrument or agreement between Vendor and any third party; (iv) it shall comply with all applicable laws and local government regulations regarding labor, child labor, minimum wage, living conditions, overtime, human trafficking, working conditions and the environment, and all Vendor personnel are authorized to work in the United States; and (v) Vendor further represents that it acknowledges and will, at all times, comply with all Sprouts' vendor policies, including without limitation, and as updated from time to time, those located on its website or otherwise made available to Vendor, including without limitation Sprouts' Supplier Code of Conduct and Commitment to Human Rights.

5.2 Information. When applicable, Vendor agrees to provide such information as Sprouts may reasonably request to enable Sprouts to comply, and to facilitate Sprouts' compliance, with applicable federal, state, and local statutes, rules, regulations, ordinances, orders, and other imperatives. Vendor warrants, now and as of the date of each provision of Products, that such information as it shall provide to Sprouts shall be true, accurate and complete in all respects.

5.3 Confidential Information. Vendor acknowledges that, in the course of performing its obligations under this Agreement, it may have access to the Confidential Information (as defined below) of Sprouts or its affiliates. Vendor shall not transfer or otherwise disclose the Confidential Information to any third party. Vendor shall (i) give access to such Confidential Information solely to those employees with a need to have access thereto for purposes of this agreement, and (ii) take the same security precautions to protect against disclosure or unauthorized use of such Confidential Information as Vendor takes with its own confidential information, but, in no event, shall Vendor apply less than a reasonable standard of care to prevent such disclosure or unauthorized use. Vendor shall promptly return or destroy all Confidential Information upon the termination of this Agreement or as requested by Sprouts. For purposes of this Agreement, "Confidential Information" shall mean, without limitation, all information related to Sprouts, however received, that is observed or obtained by Vendor including, without limitation, the existence of this Agreement and the terms and conditions herein, designs, drawings, product specifications and documentation, business and product plans and data, and other confidential business information of Sprouts. Confidential Information shall not include information which: (a) is or becomes public knowledge without any action by, or involvement of, Vendor; or (b) is proven to be already known to Vendor at the time of disclosure without restriction of confidentiality, as evidenced in writing. Vendor agrees that money damages would not be a sufficient remedy for any breach of this Section 5.3 by Vendor, and, that in addition to all other remedies Sprouts, will be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach. The confidentiality obligations of this Section 5.3 shall survive termination of this Agreement.

5.4 Intellectual Property; Non-Disparagement. Each party shall retain all rights, title, and interest in all intellectual property that it owns or controls as of the Effective Date or that it develops or acquires thereafter. Vendor may not use Sprouts logo, trademarks, or tradenames without prior approval. Sprouts may use Vendor logo, trademarks, or tradenames in connection with the Products or promotional activities unless Vendor provides notice to Sprouts otherwise (email shall suffice). Neither party shall engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or good will of the other party, its management, or of management of corporations affiliated with the other party.

5.5 California Notices. If applicable, Vendor agrees to notify Sprouts, in writing, of any Products that contain a chemical listed by the State of California pursuant to Proposition 65 that is not exempt from the warning requirement under Section 25249.10, and such notice shall include: the Product name; the listed chemical(s); and the warning statement that Vendor shall provide with such Products.

6. MISCELLANEOUS.

6.1 Payment Terms. Unless otherwise agreed by the parties, in writing, all undisputed invoices are due Net 30 of the date of receipt of the invoice by Sprouts. All invoices shall be issued in a timely fashion, and in no event later than ten (10) days after the Product was delivered. Vendor acknowledges that timely billing and invoicing is a material consideration for Sprouts in entering into this Agreement. As such, any invoices not received by Sprouts within ninety (90) days may be subject to discount or non-payment. Invoices that contain variances from received quantities of Products and any applicable purchase order costs shall be subject to invoice rejection. Vendor will be instructed to submit a revised invoice. Otherwise, payment shall be made according to received quantities of Products and applicable

purchase order costs automatically within five (5) business days. Any disputes or corrections need to be made to within thirty (30) days otherwise the invoice will be considered fully paid and closed. Vendor shall provide all information reasonably requested by Sprouts for Vendor setup in Sprouts accounts payable system. Sprouts shall, in its sole discretion, determine the payment method, including without limitation check, ACH, or wire transfer, unless otherwise agreed upon by the parties.

6.2 Data Security. The parties agree to work in good faith to exchange reasonably requested information related to each party's respective operational and security risks as it relates to the parties' business relationship. This provision and the related disclosures are intended to be limited to periodic requests that do not materially interrupt the other party's business and operations and do not create any undue burden on the disclosing party, but such requests may include, without limitation, certain financial, safety, and cyber security information to enable the requesting party to comply, and to facilitate such party's compliance, with applicable federal, state, and local statutes, rules, regulations, ordinances, orders and other imperatives, as well as internal risk management procedures and audits. Unless agreed upon by the disclosing party in writing, such information shall be considered Confidential Information and will not be disclosed to any third party and will only be shared with employees of the receiving party that have a need to know such information for review of the relevant operational and security risks. Notwithstanding the foregoing, in no event shall either party be required to provide any information that is subject to any confidentiality restrictions, that could pose a threat to the security and risk to the disclosing party's employees or operations (to include but not be limited to personal information or cyber security protocols), that is considered an undue burden, that does not relate to the parties' business relationship, or that is deemed too sensitive in nature for disclosure in good faith by the disclosing party. The disclosing party may request the receiving party take additional precautions to maintain confidentiality and limit disclosure of any such information. Vendor further represents and warrants that: (a) such information as it shall provide to the other party pursuant to this Data Security Section shall be true, accurate and complete in all material respects; (b) it has in operation cybersecurity controls aligned with appropriate industry standards including but not limited to NIST CSF, ISO/IEC 27001, and SOC2; (c) its personnel with access to the other party's sensitive, personal, or Confidential data undergo recurrent cyber security training; and (d) it will promptly notify the other party in the event of a breach or security incident involving such party's data or Confidential Information.

6.3 Safety and Inspection. Sprouts may inspect any of Vendor's facilities, which includes any facility Vendor utilizes to produce the Product, whether owned and operated by Vendor or by a third party, and subject Products to Sprouts' quality control program and testing to verify that the products are being appropriately warehoused in accordance with industry standard, applicable law, and the Agreement. Vendor shall also provide Sprouts access to its Hazard Analysis Critical Control Point (HACCP) or SOPs, third-party food safety audits (if applicable), sanitation audits for any Vendor facility that makes the Products, and documented results of any regulatory inspections related to the products or any Vendor facility. If applicable, Vendor shall submit food safety audits for each Vendor facility, annually. Vendor shall provide to Sprouts or any governmental entity any information concerning handling or storage processes which Sprouts or the governmental entity requests. Vendor shall promptly notify Sprouts of any such governmental requests, and provide Sprouts with copies of all correspondence between Vendor and any such governmental entity. Vendor shall require the same standards stated herein from all of its suppliers.

Sprouts reserves the right to return Products if (i) Products are damaged during shipping, misbranded, contaminated or adulterated, and/or Products that are the subject of a recall, or (ii) Products that do not meet the warranties by Vendor herein or applicable Product specifications. Additionally, Sprouts reserves the right to completely discontinue and withdraw from sale a Product that Sprouts determines is unfit for sale either due to quality issues or lack of compliance with any applicable Product specifications, and Sprouts shall be entitled to recovery of costs.

6.4 General. This Agreement shall continue on until either party provides notice of termination; provided, however termination of the Agreement by either party shall not relieve Vendor of its obligations hereunder with respect to the Products provided or delivered by Vendor prior to such termination. All notices required or permitted to be given hereunder shall be in writing and may be delivered by hand, by email, by a nationally recognized private courier, or by United States mail, to the address listed below; provided, however, that any notice of termination must be in a tangible writing, delivered by a nationally recognized private courier, or by United States mail. This Agreement is the entire agreement of the parties with respect to this subject matter, and supersedes all prior agreements, discussions and negotiations between the parties with respect thereto. If there is a conflict between this Agreement and any other agreement, purchase order, or document entered into by the parties hereafter (collectively, "Subsequent Agreements"), this Agreement will control with respect to the subject matter included herein, unless the conflicting provision of the Subsequent Agreement specifically references the provision of this Agreement to be superseded. Any action related to this Agreement shall be governed by the substantive laws of the State of Arizona, without regard to conflicts of laws principles. The State and Federal courts located in Maricopa County, Arizona, shall have sole jurisdiction over any


dispute arising hereunder, and the parties hereby consent to the personal jurisdiction of such courts. Neither this Agreement, nor any rights hereunder, may be assigned by operation of law or otherwise, in whole or in part, or be modified in any way, without the prior written permission of the other party; provided, however, that Sprouts may assign this agreement to any of its affiliates, in its sole discretion, without seeking consent. This Agreement is binding upon, and inures to the benefit of, the parties and their respective permitted successors and assigns. A waiver of any provision of this Agreement by a party will only apply only to the occurrence involved and will not be construed as a continuing waiver. Failure or delay by a party to enforce this Agreement will not be construed as a waiver. Any purported assignment or modification without such permission shall be void. Any affiliate of Sprouts shall be a third-party beneficiary of this Agreement and have the right to enforce any and all of Sprouts rights hereunder. Electronic signatures of the parties, whether digital or encrypted, included in this Agreement are intended to authenticate this writing and have the same force and effect as manual signatures.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each party has executed this Agreement as of the Effective Date

AGREED TO:

SFM, LLC d/B/A SPROUTS FARMERS MARKET

BY: 
NAME: BRANDON LOMBARDI
TITLE: CHIEF LEGAL COUNSEL

ADDRESS:
5455 E. HIGH ST., STE. 111,
PHOENIX, AZ 85054
ATTN: LEGAL DEPARTMENT
LEGAL@SPROUTS.COM

VENDOR NAME: _____
(Include full legal company name)

BY: _____

NAME: _____

TITLE: _____

DATE: _____

ADDRESS:

SERVICE VENDOR INDEMNIFICATION AGREEMENT

THIS SERVICE VENDOR INDEMNIFICATION AGREEMENT (“*Agreement*”) is entered into effective as of the date last written on the signature page hereto (the “*Effective Date*”), by and between SFM, LLC d/b/a SPROUTS FARMERS MARKET, a Delaware limited liability company with a place of business at 5455 E. High Street., Suite 111, Phoenix, AZ 85054 (“*Sprouts*”), and the vendor set forth on the signature page hereto (“*Vendor*”).

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1.2 Indemnification Procedures. Promptly after becoming aware thereof, Sprouts shall notify Vendor of any and all Claims subject to the foregoing Indemnification Section. Sprouts’ failure to provide notice of a Claim to Vendor under this Indemnification Procedures Section does not relieve Vendor of any liability that Vendor may have to Sprouts, but in no event shall Vendor be liable for any losses that result directly from a delay in providing notice of a Claim, by which delay materially prejudices the defense of the related third-party Claim. Vendor’s duty to defend applies immediately, regardless of whether Sprouts has paid any sums or incurred any detriment arising out of or relating to, directly or indirectly, to any Claim for which Vendor shall fully reimburse Sprouts for any costs associated with defense of the Claim. Sprouts acknowledges that Vendor shall have the option of defending (using attorneys reasonably acceptable to Sprouts) any and all matters subject

to the foregoing Indemnification Section, and Vendor agrees that it shall not enter into any settlement or compromise of any action or Claim for which Sprouts seeks indemnification hereunder involving a payment or other obligation by Sprouts except with the prior written consent of Sprouts. If Vendor exercises its right to defend any such action, Sprouts shall have the right to participate in such defense using attorneys of its own choosing, at Sprouts' sole cost and expense. If Vendor does not exercise its right to defend a Claim, or if Sprouts elects to assume the defense of a Claim, Sprouts shall have the right to defend such Claim and Vendor shall fully reimburse Sprouts for any costs associated with defense of the Claim. In the event that any Service or product related to the provision of Services is claimed or held to infringe, or is reasonably believed by Sprouts to infringe any IP Rights, Vendor shall also, at Sprouts' option and Vendor's expense, either: (i) modify the item to be non-infringing and without the loss of material features or functionality; (ii) obtain for Sprouts a license to continue using the item; (iii) replace the item with non-infringing items, while substantially complying without the loss of material features or functionality; or (iv) refund to Sprouts any fees, commissions, and expenses paid relating to applicable Services.

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Vendor hereby agrees to indemnify, defend, and hold the Indemnitees harmless from and against any Claims brought by any employee, contractor, or agent of Vendor (each, a “*On-Site Representative*”), arising from or in connection with any activity or presence of such On-Site Representative at any Sprouts facility in connection with the Services, or the provision or demonstration of promotions of Services or related products to customers, including without limitation any: (i) injury to such On-Site Representative or guest of On-Site Representative; and (ii) any losses or liabilities alleged by such On-Site Representative. In the event of any such Claim, Sprouts shall give notice thereof to Vendor, and the procedures set forth in the foregoing Indemnification Procedures Section above shall apply to such indemnification. The foregoing obligations stated in this On-Site Representatives Section shall continue regardless of any expiration or termination of any agreement between Sprouts and Vendor, or any provision or failure to provide Services.

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Insurance Policy	Required Coverage (Occurrence/Aggregate)
Commercial General Liability (including broad form contractual liability, product, personal and advertising injury and intellectual property liability coverage)	\$1,000,000 / \$2,000,000
Excess (Umbrella) Liability	\$5,000,000
Workers' Compensation	Statutory Limit
Employers Liability (Stop-Gap Liability)	\$1,000,000 for: each accident / Injury by Disease / Injury by Disease each employee
Automobile Liability (including any auto, owned, non-owned, leased and hired autos)	\$1,000,000 per occurrence
Professional Liability*	\$1,000,000

Each such policy shall be underwritten by insurers with a minimum A.M. Best Financial Strength rating of “A- (Excellent)” and Financial Size rating of “VII”, or equivalent ratings from other valid rating agencies and under forms of policies reasonably satisfactory to Sprouts. All policies must contain a waiver of subrogation in favor of SFM, LLC d/b/a Sprouts Farmers Market. Sprouts may also require, upon reasonable notice to Vendor, in its sole discretion that Vendor obtain and maintain, policies and/or coverage in addition to the coverage stated

above. Vendor's Commercial General Liability insurance must be written on a broad occurrence form (including, without limitation, premises-operations, broad form property damage, products/completed operations, personal injury, and advertising injury and liability assumed under an insured contract and contractual liability coverage). Vendor's Excess (Umbrella) Liability insurance shall be provided on a per occurrence basis. Vendor's Excess (Umbrella) Liability insurance coverage shall provide excess limits for the General Liability, Products Liability, Employer's Stop-Gap Liability and Automobile Liability policies and be a follow form or at least as broad as coverage to the underlying policies. Vendor shall require its agents, subcontractors, and independent contractors to comply with the insurance requirements of this Insurance Section.

** Notwithstanding anything to the contrary herein, Vendor shall only be required to obtain and maintain Professional Liability insurance if it is providing professional services to Sprouts, and in such case, Vendor must maintain said Professional Liability insurance during the term of this Agreement and for a period of three (3) years thereafter.*

3.2 Additional Insured. For all of the above listed policies, Vendor will provide Certificates of Insurance naming SFM, LLC d/b/a Sprouts Farmers Market as an "Additional Insured", on a primary and non-contributory basis to any other insurance that may be available to Sprouts Farmers Market. Vendor shall also cause a Broad Form Vendor's Endorsement (ISO Form CG2015) in favor of Sprouts to be attached to such policies. Vendor shall provide such Certificates of Insurance upon execution hereof and shall provide updated Certificates of Insurance when coverage is renewed or materially changed, as may be requested from time to time by Sprouts. Furthermore, upon Sprouts' request, Vendor shall provide certified copies of its insurance policies, including any and all endorsements.

3.3 Policy Limits. Each insurance policy required under this Agreement shall provide that its policy limits shall not be reduced, or its terms materially changed, or the policy itself canceled, without at least thirty (30) days' prior written notice to Sprouts. Vendor's insurance will be primary with respect to all obligations pursuant to this Agreement. It shall be the responsibility of the Vendor to ensure that all 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 Vendor. Any self-insured retention shall be identified on the Certificate of Insurance, with its endorsement attached. Sprouts reserves the right, in its sole discretion and upon notice to Vendor, to adjust, increase, and/or otherwise modify the insurance requirements herein.

4. RECALLS. If any product created for the provision of the Services is the subject of a recall, Appendix A shall apply.

5. COMPLIANCE WITH LAW.

5.1 Warranties. Vendor represents and warrants that: (i) it is a legal entity duly organized and in good standing under the laws of the state (or other political subdivision) 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; (iii) neither this Agreement nor Vendor's performance hereof shall be in violation of applicable law or the terms of any contract, instrument or agreement between Vendor and any third party; (iv) it shall comply with all applicable laws and local government regulations regarding labor, child labor, minimum wage, living conditions, overtime, human trafficking, working conditions and the environment, and all Vendor personnel performing the Services are authorized to work in the United States; and (v) Vendor further represents that it acknowledges and will, at all times, comply with all Sprouts' vendor policies, including without limitation, and as updated from time to time, those located on its website or otherwise made available to Vendor, including without limitation Sprouts' Supplier Code of Conduct and Commitment to Human Rights.

5.2 Information. When applicable, Vendor agrees to provide such information as Sprouts may reasonably request to enable Sprouts to comply, and to facilitate Sprouts' compliance, with applicable federal, state, and local statutes, rules, regulations, ordinances, orders, and other imperatives. Vendor warrants, now and

as of the date of each provision of Services hereunder, that such information as it shall provide to Sprouts shall be true, accurate and complete in all respects.

5.3 Confidential Information. Vendor acknowledges that, in the course of performing its obligations under this Agreement, it may have access to the Confidential Information (as defined below) of Sprouts or its affiliates. Vendor shall not transfer or otherwise disclose the Confidential Information to any third party. Vendor shall (i) give access to such Confidential Information solely to those employees with a need to have access thereto for purposes of this agreement, and (ii) take the same security precautions to protect against disclosure or unauthorized use of such Confidential Information as Vendor takes with its own confidential information, but, in no event, shall Vendor apply less than a reasonable standard of care to prevent such disclosure or unauthorized use. Vendor shall promptly return or destroy all Confidential Information upon the termination of this Agreement or as requested by Sprouts. For purposes of this Agreement, "Confidential Information" shall mean, without limitation, all information related to Sprouts, however received, that is observed or obtained by Vendor including, without limitation, the existence of this Agreement and the terms and conditions herein, designs, drawings, product specifications and documentation, business and product plans and data, and other confidential business information of Sprouts. Confidential Information shall not include information which: (a) is or becomes public knowledge without any action by, or involvement of, Vendor; or (b) is proven to be already known to Vendor at the time of disclosure without restriction of confidentiality, as evidenced in writing. Vendor agrees that money damages would not be a sufficient remedy for any breach of this Section 5.3 by Vendor, and, that in addition to all other remedies Sprouts, will be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach. The confidentiality obligations of this Section 5.3 shall survive termination of this Agreement.

5.4 Intellectual Property; Non-Disparagement. Each party shall retain all rights, title, and interest in all intellectual property that it owns or controls as of the Effective Date or that it develops or acquires thereafter. Vendor may not use Sprouts logo, trademarks, or tradenames without prior approval. Sprouts may use Vendor logo, trademarks, or tradenames in connection with the Services or promotional activities unless Vendor provides notice to Sprouts otherwise (email shall suffice). Neither party shall engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumors, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or good will of the other party, its management, or of management of corporations affiliated with the other party.

6. MISCELLANEOUS.

6.1 Payment Terms. Unless otherwise agreed by the parties, in writing, all undisputed invoices are due Net 30 of the date of receipt of the invoice by Sprouts. All invoices shall be issued in a timely fashion, and in no event later than ten (10) days after the Service was rendered. Vendor acknowledges that timely billing and invoicing is a material consideration for Sprouts in entering into this Agreement. As such, any invoices not received by Sprouts within ninety (90) days may be subject to discount or non-payment. Vendor shall provide all information reasonably requested by Sprouts for Vendor setup in Sprouts accounts payable system. Sprouts shall, in its sole discretion, determine the payment method, including without limitation check, ACH, or wire transfer, unless otherwise agreed upon by the parties.

6.2 Data Security. The parties agree to work in good faith to exchange reasonably requested information related to each party's respective operational and security risks as it relates to the parties' business relationship. This provision and the related disclosures are intended to be limited to periodic requests that do not materially interrupt the other party's business and operations and do not create any undue burden on the disclosing party, but such requests may include, without limitation, certain financial, safety, and cyber security information to enable the requesting party to comply, and to facilitate such party's compliance, with applicable federal, state, and local statutes, rules, regulations, ordinances, orders and other imperatives, as well as internal risk management procedures and audits. Unless agreed upon by the disclosing party in writing, such information shall be considered Confidential Information and will not be disclosed to any third party and will only be shared with employees of the receiving party that have a need to know such information for review of

the relevant operational and security risks. Notwithstanding the foregoing, in no event shall either party be required to provide any information that is subject to any confidentiality restrictions, that could pose a threat to the security and risk to the disclosing party's employees or operations (to include but not be limited to personal information or cyber security protocols), that is considered an undue burden, that does not relate to the parties' business relationship, or that is deemed too sensitive in nature for disclosure in good faith by the disclosing party. The disclosing party may request the receiving party take additional precautions to maintain confidentiality and limit disclosure of any such information. Vendor further represents and warrants that: (a) such information as it shall provide to the other party pursuant to this Data Security Section shall be true, accurate and complete in all material respects; (b) it has in operation cybersecurity controls aligned with appropriate industry standards including but not limited to NIST CSF, ISO/IEC 27001, and SOC2; (c) its personnel with access to the other party's sensitive, personal, or Confidential data undergo recurrent cyber security training; and (d) it will promptly notify the other party in the event of a breach or security incident involving such party's data or Confidential Information.


6.3 General. This Agreement shall continue on until either party provides notice of termination; provided, however termination of the Agreement by either party shall not relieve Vendor of its obligations hereunder with respect to Services performed by Vendor prior to such termination. All notices required or permitted to be given hereunder shall be in writing and may be delivered by hand, by email, by a nationally recognized private courier, or by United States mail, to the address listed below; provided, however, that any notice of termination must be in a tangible writing, delivered by a nationally recognized private courier, or by United States mail. This Agreement is the entire agreement of the parties with respect to this subject matter, and supersedes all prior agreements, discussions and negotiations between the parties with respect thereto. If there is a conflict between this Agreement and any other agreement, purchase order, or document entered into by the parties hereafter (collectively, "Subsequent Agreements"), this Agreement will control with respect to the subject matter included herein, unless the conflicting provision of the Subsequent Agreement specifically references the provision of this Agreement to be superseded. Any action related to this Agreement shall be governed by the substantive laws of the State of Arizona, without regard to conflicts of laws principles. The State and Federal courts located in Maricopa County, Arizona, shall have sole jurisdiction over any dispute arising hereunder, and the parties hereby consent to the personal jurisdiction of such courts. Neither this Agreement, nor any rights hereunder, may be assigned by operation of law or otherwise, in whole or in part, or be modified in any way, without the prior written permission of the other party; provided, however, that Sprouts may assign this agreement to any of its affiliates, in its sole discretion, without seeking consent. This Agreement is binding upon, and inures to the benefit of, the parties and their respective permitted successors and assigns. A waiver of any provision of this Agreement by a party will only apply only to the occurrence involved and will not be construed as a continuing waiver. Failure or delay by a party to enforce this Agreement will not be construed as a waiver. Any purported assignment or modification without such permission shall be void. Any affiliate of Sprouts shall be a third-party beneficiary of this Agreement and have the right to enforce any and all of Sprouts rights hereunder. Electronic signatures of the parties, whether digital or encrypted, included in this Agreement are intended to authenticate this writing and have the same force and effect as manual signatures.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each party has executed this Agreement as of the Effective Date

AGREED TO:

SFM, LLC D/B/A SPROUTS FARMERS MARKET

BY: 
NAME: **BRANDON LOMBARDI**
TITLE: **CHIEF LEGAL COUNSEL**

ADDRESS:
5455 E. HIGH ST., STE. 111,
PHOENIX, AZ 85054
ATTN: LEGAL DEPARTMENT
LEGAL@SPROUTS.COM

VENDOR NAME: _____
(Include full legal company name)

BY: _____

NAME: _____

TITLE: _____

DATE: _____

ADDRESS:

APPENDIX A

If applicable, the following provisions shall apply.

- I. **Recall Process.** If any product created for the provision of the Services is the subject of a recall, withdrawal, investigation notice, safety notice, product alert, or similar action initiated by Sprouts (which shall only be done in Sprouts' commercially reasonable judgment), Vendor, a government or consumer protection agency, or a consumer special interest group (the "Recalled Products"), Vendor shall be responsible for all costs and expenses associated with such recall, notice, or action, including without limitation any costs or expenses incurred for recalling, publishing notices about the recall, shipping or destroying affected products, and refunds to customers. This Section shall apply to Recalled Products where the subject of the recall is not attributable to any modification of the Recalled Product by Sprouts.
- II. **Notices.** Upon learning or receiving notice of any defect in, or tampering with, any products used in the provision of Services, Vendor shall promptly notify Sprouts and, if appropriate, contact law enforcement, the Food and Drug Administration and every other appropriate government agency, and shall immediately conduct, at its expense, sufficient analyses of such products, and shall report the results to Sprouts promptly and in writing.
- III. **Credit and Reimbursement.** Any credits for Recalled Products will be issued to Sprouts within fourteen (14) days of the removal of said Recalled Products. In the event of a recall, Vendor shall pay to Sprouts an amount equal to \$20 for each of Sprouts' stores where a Recalled Product is located, or, if Vendor or a government agency directs Sprouts to dispose of such Recalled Products, \$50 for each of Sprouts' stores where a Recalled Product is located; the parties intend that these amounts constitute compensation for Sprouts' reasonable expenses in handling and/or disposing of such Recalled Products and not as a penalty. If Sprouts does not receive the credit and/or reimbursement within this fourteen (14) day term, Sprouts shall have the right to offset such amounts from any monies due by Sprouts to Vendor.
- IV. **Cooperation.** The parties shall assist each other in all reasonable ways to resolve any claims involving products used in the provision of Services that are subject to a recall or safety notice.