

# Indemnification Agreement

In return for and in consideration of Shopko Stores Operating Co., LLC and/or any of its affiliates (collectively "Shopko"), agreeing to purchase merchandise from \_\_\_\_\_ (hereinafter "Vendor"), Vendor agrees to be bound by all of the following:

- 1) With respect to all items purchased by Shopko from Vendor, at any time (hereafter referred to as "Items") Vendor agrees to the following:
  - a) Vendor shall defend, indemnify and hold harmless, at Vendor's own cost, Shopko, its affiliates, assigns and their respective directors, officers, employees and agents from and against all suits, losses, claims, causes of action, judgments, damages, penalties, costs, disbursements, expenses, and attorneys fees which may be asserted, alleged, demanded, claimed, recovered or otherwise incurred or sustained by Shopko as a result of Shopko's use, purchase or sale of any of the Items, including without limitation, suits, losses, claims, causes of action, judgments, damages, penalties, costs, disbursements, expenses, and attorneys fees related to or alleging: personal injury; property damage; infringement of any third party's United States patent, copyright, trade secrets, trademark or other intellectual property right; or violations of any federal, state or local laws, rules, ordinances, or regulations including those with respect to product safety, labeling, packaging, weight, quality and consumer protection.
  - b) If, for any reason whatsoever, a court of competent jurisdiction or governmental agency issues an order or injunction, whether final, preliminary or temporary, that prevents Shopko from using, purchasing or selling all or part of any of the Items, Vendor, at its expense, shall at least take one of the following actions within thirty (30) days after issuance of such an order: (a) procure for Shopko the right to continue using, purchasing or selling the Item (b) replace or modify the Items so that they can again be used, purchased or sold by Shopko, provided that such modification or replacement does not materially degrade the quality of the Items, as determined by Shopko, (c) after reasonable attempts have been made with respect to the foregoing alternatives, refund the purchase price paid to Vendor by Shopko for remaining Items, less a reasonable allowance for use, if appropriate.
- 2) Vendor shall carry product liability insurance covering injury or damages to person(s) or property caused by or resulting from use of the Items with liability limits of not less than Two Million Dollars (\$2,000,000) per person, per occurrence, and Five Hundred Thousand (\$500,000) for property damage. Prior to delivery of any Item to Shopko, Vendor shall deliver to Shopko a Certificate of Insurance evidencing that the foregoing insurance is in full force and effect; that "Shopko Stores Operating Co., LLC and its affiliates" are named upon the insurance policy as an additional insured, unless prohibited by law, evidence of which shall be provided to Shopko by Vendor; and that the coverage under said policy and the proceeds thereof shall be effective, in the event of any claim, as of the date of sale of any Item(s) causing injury or damages notwithstanding that as of the date of injury or damage said policy may have been canceled or coverage reduced. Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered to Shopko in accordance with the policy provisions. Upon receipt of any such notice, Shopko, at its option, may cancel any purchase order placed with Vendor for which delivery has not been made.
- 3) This Indemnification Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin. Any dispute arising out of this Agreement which cannot be resolved by agreement shall, whenever diversity or subject matter jurisdiction exists, be submitted to the United States District Court for the District of Wisconsin or in the State Court of Brown County, Wisconsin and the parties consent and submit to the personal jurisdiction of such courts.
- 4) The foregoing covenants and indemnification shall remain in full force and effect at all times and under all conditions upon any purchaser, assignee, trustee or other succeeding entity of either Shopko or Vendor.
- 5) Vendor's indemnity as set forth above shall survive the termination or expiration of this Indemnification Agreement.

Intending to be legally bound by the terms and conditions set forth above, Vendor executes this Indemnification Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**NAME OF VENDOR:** \_\_\_\_\_

**(print):** \_\_\_\_\_

**Authorized Signature:** \_\_\_\_\_  
*Must be hand-written – cannot accept digital signature*

**By (print):** \_\_\_\_\_

**Title (print):** \_\_\_\_\_

Return signed form to: [MPS@Shopko.com](mailto:MPS@Shopko.com)

**Original copy (with ballpoint signature) must be sent, via US mail to your respective buyer.**