



Quality Assurance

Hormel Foods Corporate Services, LLC  
1 Hormel Place  
Austin MN 55912-3680

January 15, 2014

To Whom It May Concern:

Hormel Foods Corporation has been a leader in the production of quality food for more than 100 years. Our company's reputation is based on producing products that are safe, wholesome, and the highest quality in our industry.

For many years, Hormel Foods has been very aggressive in developing formal Hazard Analysis and Critical Control Point (HACCP) plans to further assure the safety of our products. We have HACCP plans at all our plants. These plans are based on the seven HACCP principles outlined in the USDA's HACCP/pathogen reduction final rule published in the July 1996 Federal Register.

In addition to our HACCP-based food safety system, Hormel Foods also has in place a detailed facility and product security program designed to minimize the risk of intentional product adulteration, injury to our employees, and damage to our facilities. This program is based on food security guidelines published by the American Meat Institute and FDA industry guidance documents. The program addresses the following areas:

- Employee Selection Procedure
- Contractor and Visitor Access
- Plant Security Measures
- Ingredient Safety
- Utility Security
- Process Security
- Warehouse and Transportation Security
- Traceability

We will be happy to share with representatives from your company any information regarding these HACCP and security plans. However, it is against our policy to give written copies of the proprietary information contained within our plans. We will gladly share the details of our plans, as well as any documentation regarding these plans, in person during any on-site visits or plant audits. Each plant is audited routinely for adherence to its HACCP and security plans by Hormel Foods Corporate auditors, as well as in-plant auditors. Each of our plants is staffed with personnel who have successfully completed a certified course of instruction in the application of the seven HACCP principles to meet the USDA regulatory requirements.

In conclusion, we at Hormel Foods welcome the opportunity to further discuss our HACCP and security programs with you. If you have any further questions, please feel free to contact me at 507/437-5456.

Sincerely,

BRYAN D. FARNSWORTH  
Vice President, Quality Management

mjlw

**GUARANTEE AND INDEMNIFICATION AGREEMENT**

Hormel Foods Corporation (HFC)

1 Hormel Place, Austin MN 55912 - including its subsidiaries and divisions:

- |   |                                 |  |
|---|---------------------------------|--|
| Alma Foods LLC                          | Dold Foods LLC                  | Mountain Prairie LLC   |
| Burke Marketing Corporation             | Hormel Foods Corporate          | Osceola Food LLC   |
| Century Foods International LLC         | Services LLC                    | Provena Foods Inc.   |
| Clougherty Packing LLC, dba Farmer John | Hormel Foods Int'l Corp.        | Rochelle Foods LLC   |
| Creative Contract Pkg LLC               | Hormel Foods Sales LLC          | Saag's Products LLC  |
| Dan's Prize Inc.                        | Jennie-O Turkey Store Inc       | Stagg Foods LLC  |
| Diamond Crystal Brands Inc.             | Jennie-O Turkey Store Sales LLC | Swiss American Sausage Co., a division of Provena Foods Inc. |
| Diamond Crystal Bremen LLC              | Lloyds Barbeque Company LLC     | Valley Fresh Inc.  |
| Diamond Crystal Duluth, LLC             | Logistic Service LLC            | Skippy Foods, LLC  |
| Diamond Crystal Sales LLC               | Mexican Accent LLC              |  |

hereby guarantees that no product hereafter shipped or delivered by it to any location, distributor, store, office or warehouse of:

**PRESTON MEATS INC  
121 WEST FARLEY STREET  
PRESTON IA 52069**

(the "Buyer") or any subsidiary thereof, is, on the date of such shipment or delivery,

- a) adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, as amended, including the Food Additives Amendment of 1958, to the extent said Act is then effective and applicable, or a product which may not, under the provisions of sections 404 and 505 of said Act, be then introduced into interstate commerce; or
- b) adulterated or misbranded within the meaning of any substantially similar state or municipal law or the subject, to the extent said law is then effective and applicable.

This guarantee shall not apply to misbranding arising out of the use of Buyer-applied labels.

Hormel Foods Corporation's civil liability, if any, shall be determined by its General Terms of Sale applicable to sales of said products by Hormel Foods Corporation and by normal judicial processes.

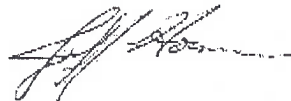
Hormel Foods Corporation agrees to indemnify, defend and hold Buyer harmless from and against any claim, demand, cause of action, liability or loss which directly or indirectly arises out of or is in any way associated with a breach of the Guarantee set forth above and which is due solely to the negligence of Hormel Foods Corporation; provided, however, that such loss not be a result of the negligent acts or omissions of the Buyer, its agents or employees.

This is a continuing guarantee subject to revocation at any time by written notice to Buyer. This continuing guarantee agreement is not assignable and revokes any prior guarantee agreement between the parties.

**Signed at Austin, Minnesota, this 15th day of January, 2014.**

**HORMEL FOODS CORPORATION  
1 Hormel Place, Austin, MN 55912-3680**

BY:



**JEFF B. HORNER  
Risk Manager**



# FAX

**Date** 1/15/14

**Number of pages including cover sheet** 3

**TO:** Preston Meats Inc.

**FROM:** Tom Bowers  
Hormel Foods Corporation  
1 Hormel Place  
Austin, MN 55912

**Phone**

**Phone** 507-437-5057

**Fax Phone** 563-689-5612

**E-mail** [tjbowers@hormel.com](mailto:tjbowers@hormel.com)

**CC:**

**REMARKS:**  Urgent  For your review  Reply ASAP  Please Comment

Letter of Guarantee and HACCP letter per your request.