

DRAFT
Friday, Eldredge & Clark, LLP
6/21/21

GUARANTY AGREEMENT

This GUARANTY AGREEMENT, dated as of _____ 1, 2021, by and between NESTLÉ PREPARED FOODS COMPANY, a corporation organized and existing under the laws of the State of Delaware (the "Guarantor"), and THE BANK OF NEW YORK MELLON TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized under and existing by virtue of the laws of the United States of America, with a corporate trust office at 500 Ross Street, 12th Floor, Pittsburgh, Pennsylvania 15262, as trustee under the Trust Indenture (hereinafter identified), and its successor or successors as such trustee (the "Trustee").

W I T N E S S E T H:

WHEREAS, the City of Jonesboro, Arkansas (the "Issuer") is authorized and empowered under the laws of the State of Arkansas, and proposes pursuant to the provisions of Title 14, Chapter 164, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Act"), to issue its Taxable Industrial Development Revenue Bonds (Nestlé Prepared Foods Company Project), Series 2021, in the aggregate principal amount of not to exceed \$100,000,000 (the "Bonds"); and

WHEREAS, the Bonds are to be issued under and secured by a Trust Indenture dated as of _____ 1, 2021 (the "Indenture"), by and between the Issuer and the Trustee; and

WHEREAS, the proceeds of the sale of the Bonds are to be used to finance the cost of acquiring, constructing and installing certain industrial facilities located within the boundaries of the Issuer, which are to be leased by the Issuer to the Guarantor pursuant to a Lease Agreement dated as of _____ 1, 2021 (the "Lease Agreement"), by and between the Issuer and the Guarantor; and

WHEREAS, all the rights and interest of the Issuer in and to the Lease Agreement (except for its rights specified in Sections 5.3(c), 6.2, 6.5 and 8.5 thereof) will be assigned under the Indenture to the Trustee to secure the payment of the principal of and interest on the Bonds; and

WHEREAS, the Guarantor desires that the Issuer enter into the Lease Agreement and issue the Bonds and apply the proceeds for the purposes described above, and is willing to enter into this Guaranty Agreement in order to provide an inducement therefor;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, including the covenants, terms and conditions hereinafter appearing, the Guarantor does hereby covenant and agree with the Trustee as follows:

ARTICLE I

Representations and Warranties of Guarantor

The Guarantor represents and warrants to the Trustee (which representations and warranties shall survive the delivery of the documents mentioned herein and the issuance and delivery of the Bonds) that:

Section 1.1. Organization and Qualification. (a) The Guarantor is a corporation duly organized and existing in good standing under the laws of the State of Pennsylvania, and (b) the Guarantor is duly qualified to do business and in good standing in the State of Arkansas and in every other jurisdiction in which the nature of the properties owned or leased or the businesses conducted by it makes such qualification necessary.

Section 1.2. Power and Authority. The Guarantor has corporate and other legal authority to enter into and to perform the agreements and covenants on its part contained in this Guaranty Agreement, and all corporate action on its part required for the lawful execution, delivery and performance hereof has been duly taken.

Section 1.3. No Default. Neither the execution and delivery of this Guaranty Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions hereof conflicts with or results in a breach of the terms, conditions or provisions of any agreement or instrument to which the Guarantor is now a party or by which the Guarantor is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Guarantor.

Section 1.4. Financial Benefit. The assumption by the Guarantor of its obligations hereunder will result in a direct financial benefit to the Guarantor.

ARTICLE II

The Guaranty

Section 2.1. The Guaranty. The Guarantor hereby unconditionally guarantees to the Trustee for the benefit of the owners from time to time of the Bonds the full and prompt payment of the principal of the Bonds when and as the same becomes due, whether at the stated maturity thereof, by acceleration, call for redemption or otherwise, and the full and prompt payment of interest on the Bonds when and as the same becomes due. All payments by the Guarantor shall be paid in immediately available funds in lawful money of the United States of America, provided that all such payments may be made in accordance with a home office payment agreement, if any is in effect, as contemplated by Section 214 of the Indenture. Each and every default in payment of the principal of or interest on the Bonds shall give rise to a separate cause of action hereunder, and separate suits may be brought hereunder as each cause of action arises.

Section 2.2. Guaranty Unconditional. The obligations of the Guarantor under this Guaranty Agreement shall be absolute and unconditional and shall remain in full force and effect until the entire principal of and interest on the Bonds shall have been paid, and such obligations shall not be affected, modified or impaired upon the happening from time to time of any event, including without limitation any of the following, whether or not with notice to, or the consent of, the Guarantor:

(a) the waiver, compromise, settlement, release or termination of any or all of the obligations, covenants or agreements of the Issuer contained in the Indenture, or of the payment, performance or observance thereof;

(b) the failure to give notice to the Guarantor of the occurrence of any event of default under the terms and provisions of this Guaranty Agreement, the Lease Agreement, or the Indenture;

(c) the transfer, assignment or mortgaging or the purported transfer, assignment or mortgaging of all or any part of the interest of the Issuer in any property given as security for the Bonds or any failure of title with respect to the Issuer's interest in such property or the invalidity, unenforceability or termination of the Lease Agreement;

(d) the waiver, compromise, settlement, release or termination of any of the obligations, covenants or agreements of the Guarantor under the Lease Agreement, or of the payment, performance or observance thereof;

(e) the extension of the time for payment of any principal of or interest on the Bonds owing or payable on such Bonds or of the time for performance of any obligations, covenants, or agreements under or arising out of the Lease Agreement or the Indenture or the extension or the renewal of any thereof;

(f) the modification or amendment (whether material or otherwise) of any obligations, covenants or agreements set forth in the Lease Agreement or the Indenture;

(g) the taking or the omission of any of the actions referred to in the Lease Agreement or the Indenture or of any actions under this Guaranty Agreement;

(h) any failure, omission, delay or lack of diligence on the part of the Issuer or the Trustee to enforce, assert or exercise any right, power or remedy conferred on the Issuer or the Trustee in this Guaranty Agreement, the Lease Agreement or the Indenture, or any other act or acts on the part of the Issuer, the Trustee or any of the holders from time to time of the Bonds;

(i) the voluntary or involuntary liquidation, dissolution, sale or other disposition of all or substantially all of the assets, marshalling of assets and liabilities, receivership, insolvency, bankruptcy, and making of a general assignment for the benefit of creditors, reorganization or arrangement under bankruptcy or similar laws, composition with creditors or readjustment of, or other similar procedures affecting the Guarantor or the Issuer or any of the assets of any of them, or any allegation or contest of the validity of this Guaranty Agreement or the Lease Agreement or the disaffirmance of the Lease Agreement or this Guaranty Agreement in any such proceeding;

(j) to the extent permitted by law, any event or action that would, in the absence of this clause, result in the release or discharge by operation of law of the Guarantor from the performance or observance of any obligation, covenant or agreement contained in this Guaranty Agreement; or

(k) the default or failure of the Guarantor fully to perform any of its obligations set forth in this Guaranty Agreement.

Section 2.3. No Right of Set-off. No set-off, counterclaim, reduction, or diminution of an obligation, or any defense of any kind or nature which the Guarantor has or may have against the Issuer or the Trustee shall be available hereunder to the Guarantor against the Issuer or the Trustee.

Section 2.4. Enforcement. Upon the occurrence of an "Event of Default" under the Indenture, including failure to pay principal of or interest on any of the Bonds when and as the same shall become due or prior to the expiration of any grace period applicable thereto, whether at the stated maturity thereof, by acceleration, call for redemption or otherwise, or upon the occurrence of an "Event of Default" under the Lease Agreement, the Issuer and the Trustee may proceed to enforce their respective rights hereunder and the Issuer and the Trustee shall have the right to proceed first and directly against the Guarantor under this Guaranty Agreement without proceeding against or exhausting any other remedies which they may have and without resorting to any other security held by the Issuer or the Trustee.

Section 2.5. Waiver of Notice. The Guarantor hereby expressly waives notice from the Issuer, the Trustee or the owners from time to time of the Bonds of their acceptance and reliance on this Guaranty Agreement. The Guarantor agrees to pay all reasonable costs, expenses and fees,

including, to the extent permitted by law, all reasonable attorneys' fees, which may be incurred by the Issuer and the Trustee in enforcing or attempting to enforce this Guaranty Agreement or protecting the rights of the Issuer, the Trustee or the owners of the Bonds following any default on the part of the Guarantor hereunder, whether the same shall be enforced by suit or otherwise.

ARTICLE III

Indemnification

Section 3.1. Indemnification Against Invalidity. (a) If, at any time and for any reason whatsoever, an "Adjudication of Invalidity," as hereinafter defined, shall have been made, the Guarantor hereby agrees to indemnify and save the owners from time to time of the Bonds harmless from the consequences of such event by purchasing the outstanding Bonds of all requesting bondholders, at a price equal to the principal amount thereof, plus interest accrued thereon to the date of purchase. Such purchases will be made promptly after receipt by the Guarantor of written request from the bondholders. The Guarantor shall be obligated to make such purchases without the necessity of any showings or proofs on the part of any requesting bondholder that they have suffered any losses or damages (such losses and damages being conclusively presumed upon the occurrence of an Adjudication of Invalidity). Request to the Guarantor pursuant to this Section 3.1 shall be addressed to it at the address specified in Section 5.3 hereof.

(b) In the event of an "Adjudication of Invalidity," as hereinafter defined, and in addition to the foregoing, the Guarantor hereby agrees to pay and to indemnify and save the Trustee and the owners of the Bonds harmless from and against all other damage, loss, cost or expense (including reasonable attorneys' fees) which the Trustee or any such holder may incur or be subject to as a consequence, direct or indirect, of:

(i) any breach by the Guarantor or the Issuer, as the case may be, of any warranty, covenant, term or condition in, or the occurrence of any default under, this Guaranty Agreement, the Bonds, the Indenture, or the Lease Agreement, together with all reasonable expenses resulting from the compromise or defense of any claims or liabilities arising as a result of any such breach or default, and

(ii) any legal action commenced to challenge the validity of the above referred to agreements.

Section 3.2. Definition. As used herein, the term "Adjudication of Invalidity" means either:

(a) a final, unappealable adjudication by the Supreme Court of the State of Arkansas or by any other court of competent jurisdiction, binding upon the Guarantor or the Issuer or, if not binding upon the Guarantor or the Issuer, applicable to the Bonds in the opinion of recognized bond counsel satisfactory to the Trustee that, under the Constitution or general laws of the State of Arkansas the Issuer lacks authority to do any one or more of the following: (i) issue the Bonds, (ii) enter into the Indenture, or (iii) enter into the Lease Agreement, or

(b) a final, unappealable adjudication by any such court that the Bonds are otherwise invalid for any other reason whatsoever, including, without limitation, any invalidity or irregularity in any statutory or other proceedings relating to the formation or existence of the Issuer, to the validation, confirmation or issuance of the Bonds or to the execution and delivery of this Guaranty Agreement, the Lease Agreement and the Indenture.

Notwithstanding the foregoing provision, no Adjudication of Invalidity shall occur unless the Guarantor has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of any owner of a Bond.

ARTICLE IV

Default

Section 4.1. Events of Default. If any one of the following "Events of Default" shall occur, namely:

(a) Failure by the Guarantor to pay any amounts due under Sections 2.1 or 3.1 hereof on the due date thereof; or

(b) The occurrence of an "Event of Default" under the Indenture; or

(c) If any material representation or warranty made by the Guarantor herein, or in any writing furnished by Guarantor in connection with the issuance and sale of the Bonds or pursuant to this Guaranty Agreement shall be breached or shall have been false, misleading or incomplete in any material respect; or

(d) If Guarantor defaults in the performance or observance of any other agreement, covenant, term or condition contained herein, and such default shall not have been remedied within sixty (60) days after written notice thereof shall have been received by it from the Issuer or the Trustee, provided that if the Guarantor is proceeding with reasonable diligence to remedy the same, then such sixty-day period shall be extended to such date as may be reasonably necessary to remedy such default.

(e) The dissolution or liquidation of the Guarantor or the filing by the Guarantor of a voluntary petition in bankruptcy, or failure by the Guarantor promptly to lift any execution, garnishment or attachment of such consequence as will impair its ability to carry out its obligations under this Guaranty Agreement, or filing of any involuntary bankruptcy proceedings against the Guarantor which is not timely contested by the Guarantor, or a general assignment by the Guarantor for the benefit of its creditors, or the entry by the Guarantor into an agreement of composition with its creditors of such consequence as will impair its ability to carry out its obligations under this Guaranty Agreement, or the approval by a court of competent jurisdiction of a petition applicable to the Guarantor in any proceeding for its reorganization instituted under the provisions of any bankruptcy act, or under any similar act which may hereafter be enacted. The term "dissolution or liquidation of the Guarantor", as used in this subsection, shall not be construed to include the cessation of the corporate existence of the Guarantor resulting either from a merger or consolidation of the Guarantor into or with another entity or a dissolution or liquidation of the Guarantor following a transfer of all or substantially all of its assets as an entirety, under the conditions permitting such actions contained in Section 6.1 of the Lease Agreement;

then at any time thereafter, the Issuer with the prior consent of the Trustee, or the Trustee, may proceed hereunder and shall have the right to proceed first directly against the Guarantor, and the Issuer and the Trustee shall have no obligation to proceed against or exhaust any other remedy or

remedies which it may have and without resorting to any other security, whether held by or available to the Issuer or Trustee.

Section 4.2. Notice of Defaults. The Guarantor will immediately give notice to the Issuer and the Trustee of the occurrence of any Event of Default hereunder, or any event which would constitute such an Event of Default or default but for the requirement that notice be given or time elapse or both hereunder or under any other obligation of the Guarantor specifying the nature thereof, the period of existence thereof and what action Guarantor proposes to take with respect thereto.

Section 4.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Issuer or the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Guaranty Agreement or now or hereafter existing at law or in equity or by statute.

ARTICLE V

Miscellaneous

Section 5.1. Obligations Absolute. The obligations of the Guarantor hereunder shall arise absolutely and unconditionally upon the issue, sale and delivery of any Bonds by the Issuer. The execution and delivery of this Guaranty Agreement shall not impair or diminish in any respect the obligations of the Guarantor under the Lease Agreement.

Section 5.2. Successors and Assigns. This Guaranty Agreement shall be binding upon the Guarantor and its successors and assigns, and all rights against the Guarantor arising under this Guaranty Agreement shall be for the sole benefit of the Issuer and the Trustee, and their respective successors and assigns under the Indenture, all of whom shall be entitled to enforce performance and observance of this Guaranty Agreement to the same extent as if they were parties hereto. The Issuer and the Trustee shall be entitled to bring any suit, action or proceeding against the Guarantor for the enforcement of any provision of this Guaranty Agreement in their respective names, without exhausting any other remedies which they may have pursuant to the terms of the Bonds, the Indenture or the Lease Agreement and without resort to any other security, whether held by or available to the Issuer or the Trustee.

Section 5.3. Notices. Except as otherwise provided in this Guaranty Agreement, all notices, certificates or other communications shall be sufficiently given and shall be deemed given when delivered by hand delivery or when the same has been mailed by registered or certified mail, postage prepaid, to the Guarantor or the Trustee. Notices, certificates or other communications shall be sent to the following addresses, and facsimiles thereof shall be transmitted to the following numbers:

Guarantor: Nestlé Prepared Foods Company
30003 Bainbridge Road
Solon, Ohio 44139
Attention: Legal Department

With a copy to:

Nestlé Prepared Foods Company
1812 N Moore Street
Arlington, VA 22209
Attention: Tax Department - Elaine White

Trustee: The Bank of New York Mellon Trust Company, N.A.
500 Ross Street, 12th Floor
Pittsburgh, Pennsylvania 15262
Attention: Corporate Trust

Either party may, by notice given hereunder, designate any further or different addresses or numbers to which subsequent notices, certificates or other communications shall be sent.

Section 5.4. Amendment. This Guaranty Agreement may be amended, modified or discharged only upon an agreement in writing of the Guarantor, the Issuer and the Trustee, as provided in the Indenture.

Section 5.5. Right of Enforcement. This Guaranty Agreement is entered into by the Guarantor for the benefit of the Issuer, the Trustee and the holders and owners from time to time of the Bonds and any successor trustee or trustees under the Indenture, all of whom shall be entitled to enforce performance and observance of this Guaranty Agreement to the same extent provided for enforcement of remedies under the Lease Agreement.

Section 5.6. Effect of Delay and Waivers. No delay or omission to exercise any right or power accruing upon any default, omission or failure of performance hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy now or hereafter existing at law or in equity or by statute, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. In the event any provision contained in this Guaranty Agreement should be breached by any party and thereafter waived by the other party so empowered to act, such waiver shall be limited to the particular breach hereunder. No waiver, amendment, release or modification of this Guaranty Agreement shall be established by conduct, custom or course of dealing, but solely by an instrument in writing duly executed by the parties to this Guaranty Agreement and only in accordance with the provisions of the Indenture.

Section 5.7. Counterparts. This Guaranty Agreement may be executed simultaneously in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 5.8. Severability. The invalidity or unenforceability of any one or more phrases, sentences, clauses or Sections contained in this Guaranty Agreement shall not affect the validity or enforceability of the remaining portions of this Guaranty Agreement, or any part thereof.

Section 5.9. Cost of Collection. The Guarantor shall be liable for the payment of all fees and expenses, including reasonable attorney's fees, incurred in connection with the enforcement of this Guaranty Agreement.

Section 5.10. Governing Law. This Guaranty Agreement shall be governed by and construed in accordance with the laws of the State of Arkansas.

Section 5.11. Entire Agreement. This Guaranty Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

Section 5.12. Notice and Service of Process. The Guarantor covenants that it is and will remain subject to service of process in the State of Arkansas so long as any of the Bonds are outstanding. If for any reason Guarantor should not remain so subject, the Guarantor hereby designates and appoints, without power of revocation, the Secretary of State of the State of Arkansas, as the agent of the Guarantor upon whom may be served all process, pleadings, notices or other papers which may be served upon the Guarantor as a result of any of its obligations under this Guaranty Agreement.

Section 5.13. Assignment. This Guaranty Agreement may be assigned by the Guarantor subject, however, to the condition that no assignment shall relieve the Guarantor from liability for its obligations hereunder, other than upon satisfaction of the same conditions described in Section 6.1 of the Lease Agreement with respect to relieving the Guarantor of its obligations under the Lease Agreement.

IN WITNESS WHEREOF, the Guarantor and the Trustee have caused this Guaranty Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by their duly authorized officers, all as of the date first above written.

NESTLÉ PREPARED FOODS COMPANY

By: _____

Title

THE BANK OF NEW YORK MELLON TRUST
COMPANY, NATIONAL ASSOCIATION

By: _____

Title