

Memorandum

To: Board of Directors, Northwind Foods Inc.
From: Harbor & Stone LLP
Date: 12 October 2026
Re: Supply agreement with Delta Packaging

The letterhead has three lines on each side, written as YAML blocks (|) in the front matter. It is taller than the 0.75 inch top margin, so the margin grows to fit it on every page.

1. Term and renewal

The agreement runs for three years and renews for one year at a time unless either party gives 90 days' notice.

Clause 2.1 The Initial Term shall commence on the Effective Date and continue for thirty-six (36) months.

We recommend a 180-day notice period, so the company has time to qualify a second supplier.

2. Price adjustments

Prices follow the producer price index for paper and board, reviewed every six months. The index has risen 7% in the last year.

Review	Index change	Price change
January 2026	+3.1%	+3.1%
July 2026	+3.8%	+3.8%
January 2027	cap 5%	at most +5%

3. Liability

Liability is capped at the fees paid in the previous twelve months. This is common, but the cap should not apply to breaches of confidentiality or to product contamination.

4. Recommendation

Sign after three changes: a 180-day notice period, a 5% cap on each price review, and the two carve-outs from the liability cap.