



NORPAC FOODS INC.

3225 25th St. SE
Salem, OR 97302-1133
PO Box 14444
Salem, OR 97309-5012
503-480-2100

PURE FOOD GUARANTY

NORPAC Foods, Inc., (“Seller”), in consideration of the purchase by **Pacific Food Distributors** (“Buyer”) of articles of processed food products (“Goods”) from Seller, hereby agrees with Buyer as follows:

1. Subject to the terms of this Guaranty, and as of the date of delivery, the Goods:
 - a. are not adulterated or misbranded within the meaning of the Federal Food Drug and Cosmetic Act, as amended, the Federal Fair Packaging and Labeling Act, and applicable state or local food and drug laws, the adulteration and misbranding provisions of which are identical with or substantially the same as those found in the Federal Act; and,
 - b. are in compliance (consistent with prevailing industry manufacturing practices) with federal, state, and local laws, including, but not limited to, the Fair Labor Standards Act and the Consumer Product Safety Act.
2. Seller will defend, indemnify and hold the Buyer harmless from any claims and causes of action which may hereafter be made against Buyer for an injury which is alleged to have been caused by the consumption or use of the Goods, if such injury was caused by Seller's or its agents' acts or omissions in the manufacture or sale of the Goods. This indemnity does not apply to claims or actions which it is established have resulted from Buyer's negligence, causes beyond Seller's control or as to which no indemnity is provided under this Guaranty.
3. Seller will defend, indemnify, and hold Buyer harmless from and against any actions or proceedings brought by any lawful governmental authority against the Goods or the Buyer for any alleged adulteration or misbranding of the Goods for which Seller has accepted responsibility in this Guaranty.
4. Seller does not guaranty against the Goods becoming adulterated or misbranded after delivery to Buyer due to causes beyond Seller's control.
5. In those instances where Goods are shipped under Buyer's label, Seller's misbranding responsibility shall be limited to that resulting from failure of the Goods to conform to the label furnished by the Buyer; however, Buyer, not Seller, shall be responsible for misbranding and for any re-labeling costs and expenses resulting from Buyer having provided Seller with defective or erroneous labels.
6. Seller's Guaranty shall be operative only if Seller receives from Buyer reasonable and timely notice and the opportunity to handle and to defend any claim or proceeding relating to the Goods. Seller's Guaranty is subject to the condition that the entire handling of any claim or action is left to Seller and

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that Buyer cooperates in the disposition of such and does not in any way interfere with the investigation, litigation or settlement of the claim. Any direct settlements by Buyer or its insurer will not be subject to this indemnity. Seller's agreement to indemnify, is subject to the Goods having been purchased through normal channels of distribution, to the Goods not having been damaged after leaving Seller's control, to Buyer not being responsible for the alleged injury, and to Buyer having not failed to notify Seller as soon as practicable of any claim or action.

7. Seller is a member of the American Frozen Food Institute (AFFI), and has broad form vendors endorsement liability insurance. Seller's insurer will adjust any claims arising out of this indemnity for which Seller has assumed responsibility.

8. Seller and Buyer agree that the Uniform Electronic Transactions Act (ORS Chapter 84) shall apply to the transactions between them.

9. This Guaranty shall continue in effect until such time as it is revoked by Seller in writing.

Buyer: Pacific Food Distributors

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Vice President, Operations
Date: December 19, 2018