



FOOD AND DRUG GUARANTEE

TO: Pacific Food Distributors ("Purchaser")
12300 SE Carpenter Dr.
Clackamas, OR 97015
[City], [State] [Zip Code]

Purchaser, by taking receipt of the Products (as defined below), and Lyons Magnus, LLC, a California limited liability company ("Lyons Magnus"), for value received, hereby represent and agree as follows:

1. Lyons Magnus hereby represents and warrants as follows in connection with each product Lyons Magnus or Lyons Magnus's agents delivers to Purchaser (the "Products"): (1) the Products are not adulterated or misbranded within the meaning of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. sections 301 *et. seq.* as amended (the "Act"), or within the meaning of any similar state statute; (2) the Products are not goods, products, or articles which are prohibited from introduction into interstate commerce under the provisions of the Act; and (3) the Products are otherwise in material compliance with all applicable federal, state and local laws.
2. Lyons Magnus agrees to indemnify and hold harmless Purchaser and its employees, officers, directors, affiliates and subsidiaries (collectively, the "Indemnified Parties") from and against:
 - a) Any demand, action, suit, claim or proceeding brought or commenced by a federal, state, or local authority against any of the Indemnified Parties on account of a breach of any of the representations and warranties of Lyons Magnus set forth in Paragraph 1 above;
 - b) Any loss, expense, action suit, claim, or proceeding brought or commenced by any person, firm, partnership, corporation, or entity against any of the Indemnified Parties for the recovery of any damages for the injury, illness, and/or death of any person arising out of or caused by any breach of any of the representations and warranties of Lyons Magnus set forth in Paragraph 1 above; and
 - c) Any loss, expense, action suit, claim, or proceeding brought or commenced by any person, firm, partnership, corporation, or entity against any of the Indemnified Parties for the recovery of any damages for the injury, illness, and/or death of any person arising out of or caused by any negligent act or omission of Lyons Magnus, its agents and employees.

Notwithstanding the foregoing, in no event shall Lyons Magnus be responsible for indemnifying any of the Indemnified Parties from any loss, expense, action suit, claim, or proceeding arising out of or caused by any negligent act or omission of any of the Indemnified Parties.

3. Lyons Magnus shall have the right to manage and control the defense of any suit, claim, action or proceeding for which it is required to indemnify the Indemnified Parties. Purchaser shall cooperate in good faith in such defense. Upon Purchaser's receipt of any communication from a consumer or consumer's attorney regarding a matter for which Lyons Magnus is required to indemnify Purchaser pursuant to Paragraph 2 above, Purchaser shall encourage him/her to communicate with and to direct any further inquiries to Lyons Magnus.

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4. Lyons Magnus agrees to maintain in effect insurance coverage with reputable insurance companies with an A.M. Best rating of at least A- covering workers compensation and employers' liability, automobile liability, commercial general liability, including product liability and excess liability, all with such minimum coverage amounts as are sufficient in Lyons Magnus' reasonable judgment.
5. This Guarantee is continuing and shall be in full force and effect and shall be binding upon Lyons Magnus with respect to each and every Product shipped or delivered to Purchaser by Lyons Magnus before the receipt of Purchaser of the written notice of revocation hereof.
6. This Guarantee constitutes the final, complete and exclusive agreement between the parties concerning the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, written or oral, between the parties with respect thereto, and supersedes any form guaranty, warranty, or other indemnification tendered by Purchaser, whether before or after the date hereof.
7. This Guarantee shall be governed by California law and the parties to this Agreement agree that the exclusive venue for any disputes arising hereunder between the parties shall be in the federal courts located in Fresno County, California, and the state courts located in Fresno County, California. Lyons Magnus and Purchaser expressly exclude and disclaim the application of any provision of the United Nations Convention for the International Sale of Goods.

Dated this 8th day of January, 2020.

LYONS MAGNUS, LLC,
a California limited liability company

By Edward L. Carlson
Name: Edward L. Carlson
Title: CEO

Address:
3158 E. Hamilton Ave.
Fresno, CA 93 702