



**HOLD HARMLESS  
AND  
GUARANTY/WARRANTY OF PRODUCT**

January 21, 2021

Buyer: Pacific Food Distributors  
12300 SE Carpenter Road  
Clackamas OR 97015

Armanino: Armanino Foods of Distinction, Inc.  
30588 San Antonio Street  
Hayward, California 94544

ARMANINO FOODS OF DISTINCTION, INC., for itself, its affiliates, divisions and/or agents (collectively, "ARMANINO"), for value received, hereby represents, and agrees to and with BUYER, its subsidiaries, affiliates, divisions, and/or agents and assigns (collectively, "BUYER"), as follows:

1. California Safe Drinking Water Act and Toxic Enforcement Act of 1986

ARMANINO acknowledges that BUYER is subject to the Safe Drinking Water and Toxic Enforcement Act of 1986 of the State of California, popularly known as Proposition 65. Proposition 65 requires that all persons doing business in the State of California provide clear and reasonable notice to all persons exposed to chemicals identified by the State to cause cancer or reproductive toxicity. BUYER has represented that it is required by each of its distributors to certify that its products contain none of the chemicals listed by the State which are known to cause cancer or reproductive toxicity or if any such chemicals are present, they pose no significant risk. As a result of this legal requirement, BUYER represents that it is required to obtain from its suppliers certification that the products manufactured by ARMANINO for BUYER either (i) contain no chemicals subject to Proposition 65 or that the chemicals meet State of California and federal regulations and are not present in concentrations that would pose a "significant risk" to consumers as defined in California law, or (ii) carry appropriate product label warnings. ARMANINO hereby certifies that the foregoing is true and correct in all material respects. In addition, ARMANINO agrees to notify BUYER of any changes to the content of the products manufactured hereunder if any such changes would affect the above certification. Because the list of Proposition 65 chemicals may be amended from time to time (generally on a quarterly basis), ARMANINO will use commercially reasonable efforts to notify BUYER of such changes as they may affect compliance with Proposition 65.

2. Representations and Warranties Regarding Adulteration and Misbranding

ARMANINO hereby represents, and warrants that each and every article of ARMANINO contained in each shipment or other delivery hereafter made to, or on the order of, BUYER is hereby guaranteed as of the time of delivery of such shipment by Armanino (i) to not be adulterated or misbranded within the meaning of:

- (a) the Federal Food, Drug and Cosmetic Act, as amended, and all rules and regulations promulgated thereunder; and not an article which may not, under the provisions of Sections 404, and 505 of such Act, be introduced into interstate commerce;
- (b) the Federal Meat Inspection Act, as amended, and all rules and regulations promulgated thereunder;
- (c) the Poultry Products Inspection Act, as amended, and all rules and regulations promulgated thereunder; and
- (d) and similar state or local laws, and all rules and regulations promulgated thereunder.

(ii) to not be adulterated, misbranded or packaged in misbranded packages, within the meaning of the terms of the Federal Insecticide, Fungicide, and Rodenticide Act, the Federal Hazardous Substances Labeling Act, any applicable state pure food and drug acts or any other applicable federal, state or local laws, ordinances, rules or regulations.

4. Indemnification  
ARMANINO agrees to indemnify and hold harmless BUYER from and shall at ARMANINO's expense and at BUYER's option, defend against, any and all claims, demands, actions, suits or proceedings brought or commenced by federal, state or local authorities against BUYER alleging that such merchandise manufactured, packed or sold by ARMANINO to or on the order of BUYER was in breach of the representations and warranties set forth in Section 2 above. BUYER shall notify ARMANINO immediately of the receipt of notice of any such indemnifiable claim. Notwithstanding anything in this Agreement to the contrary, ARMANINO shall not be obligated to defend, indemnify and hold harmless BUYER to the extent that any such claims, demands, actions, suits or proceedings are the result of the negligence or misconduct of BUYER or its licensors and/or distributors or providers of freight handling the article of shipment and ARMANINO shall have a right of contribution against BUYER and any such person or entity.
  
5. Insurance  
ARMANINO agrees to provide, and maintain in effect at all times after the date of this Agreement, (a) product liability coverage in the minimum amount of Five Million Dollars (\$5,000,000) per occurrence for products manufactured by ARMANINO for BUYER and (b) workers' compensation insurance, automobile liability insurance and comprehensive general liability insurance with coverage amounts consistent with general industry standards. ARMANINO shall furnish BUYER with a certificate or certificates of insurance which evidence that such insurance is in effect. ARMANINO shall provide endorsements to its insurance policies evidencing BUYER's status as an additional insured. Such endorsements shall provide that such insurance may not be canceled or materially modified without thirty (30) days' prior written notice to BUYER.
  
6. This Agreement shall be governed by the laws of the State of California. The guaranty contained herein is continuing and shall be in full force and effect and shall be binding upon ARMANINO and its successors and assigns, with respect to each and every article of food, drug, device or cosmetics shipped or delivered to BUYER or on behalf of BUYER to a third party, by ARMANINO (including goods in transit) before the receipt by BUYER of written notice of revocation thereof. This Agreement contains the entire agreement with respect to the subject matter contained in it and supersedes any prior guaranty and indemnity agreement delivered by ARMANINO to BUYER.

Dated this 21st day of January, 2020

ARMANINO FOODS OF DISTINCTION, INC.,  
a Colorado corporation

By: *Tim Anderson*  
President & CEO