

Terms and Conditions of Sale with PCG GLOBAL TRADE as Buyer

1. These Terms and Conditions of Sale (“Terms and Conditions”) apply to all purchases by PCG GLOBAL TRADE (d/b/a name for PCG PACKAGING, LLC) and its subsidiaries and affiliated entities (individually and collectively referred to as “Buyer”). The supplier of goods and services under this transaction is herein referred to as “Seller”.
2. Buyer will order the goods or services described herein only upon the terms and conditions contained herein. Seller’s acceptance of this order shall occur either through commencement of performance under this order or acknowledgment of this order. By accepting this order, Seller waives all terms and conditions contained in its quotation, acknowledgment, invoice or other documents which are different from or additional to those contained herein and all such different or additional terms and conditions shall be null and void. SELLER MAY NOT CHANGE MATERIAL OF MANUFACTURE, SOURCES OF SUPPLY, MANUFACTURING PROCESS OR LOCATION WITHOUT THE PRIOR WRITTEN CONSENT OF BUYER.
3. Time is of the essence. In accepting this order, Seller agrees to make deliveries in quantities and at times specified by Buyer. Buyer shall not be liable for payment of goods delivered to Buyer in excess of quantities specified by Buyer. Buyer may from time to time change delivery schedules or direct the temporary suspension of scheduled shipments. Title and risk of loss of goods will pass to Buyer at point of delivery to Buyer’s location.
4. This order may be changed or canceled by Buyer at any time at its option in whole or in part without penalty to Buyer at any time prior to shipment. Buyer shall determine the amount, if any, due Seller with respect to such cancellation and such determination shall be final.
5. All goods shall be received subject to Buyer’s inspection and rejection. Defective goods and goods otherwise not conforming to this order shall be held for Seller’s instruction and at Seller’s risk, and if Seller so directs, shall be returned at Seller’s expense. No defective goods shall be replaced without a new purchase order. Payment by Buyer shall not be construed as an acceptance of goods. Buyer may return to Seller any non-defective, excess goods within ninety (90) days of receiving them.
6. Any materials including but not limited to tools, molds, dyes, gauges, jig fixtures and patterns furnished by Buyer in connection with this order shall be held by Seller, as bail for hire, for use only in filling Buyer’s orders; be kept separate and clearly identified by Seller as Buyer’s property; and shall be insured by Seller. All such materials not consumed in the performance of this order shall be returned to Buyer at Buyer’s direction.
7. Seller at its own expense shall furnish, keep in good condition, insure and replace, as needed, all tooling and other materials necessary for the performance of this order. If Seller supplies special tooling or other materials related principally to this order, Buyer at any time may purchase and take possession of any such tooling or other materials by paying Seller the unamortized cost thereof.

8. Seller agrees not to use or disclose to others any confidential information, drawings or data, whether nor not designated as such, supplied, furnished or disclosed by Buyer, except as reasonably required to fill this order. All ownership interest in inventions and/or ideas, whether or not patentable, made, conceived, developed or acquired by Seller incident to the filling of this order shall vest in and inure to Buyer's sole benefit.

9. Seller shall defend, indemnify and hold harmless Buyer from any loss or damage sustained by, from and against any loss, claim or damage, including but not limited to, injuries and damage to person or property, or infringement asserted against, Buyer, its directors, employees, agents, successors, assigns, customers and/or end-users of the goods and services furnished under this order arising from (i) any alleged infringement of any trademark, patent, copyright or other proprietary right, by reason of the sale or use of the goods and/or services furnished under this order; (ii) use of the products or services provided hereunder; (iii) breach by Seller of any of its representations, warranties, covenants, this order and/or any agreements contained herein; or (iv) any act or omission of Seller, its agents, employees, representatives or subcontractors or failure to comply with the terms hereof. If any of the goods or services provided pursuant to this order or any part thereof is held to constitute infringement and its use is enjoined, Seller shall at its own expense either procure for Buyer, its successors, assigns, customers and the end-users of the goods and services the right to continue using such goods or services or part thereof, or replace them with a non-infringing good or service.

10. Seller agrees to carry the following insurance coverage with an insurance carrier reasonably acceptable to Buyer: (1) comprehensive general liability coverage, including contract liability coverage, in the amount of \$2,000,000 per occurrence and \$4,000,000 in the aggregate for bodily injury or property damage, for products and (2) automobile liability insurance in the amount of \$1,000,000 per occurrence combined single limit, or \$1,000,000 per occurrence for bodily injury and \$500,000 per occurrence for property damage. Buyer shall be named as an additional insured. Seller agrees to provide, upon Buyer's request, certificates of insurance evidencing such coverage and Seller will provide Buyer with at least thirty (30) days prior written notice of any cancellation of or changes to such coverage.

11. Seller warrants that in furnishing the goods hereunder, all applicable American standards (including, but not limited to, ANS, ASME, ASTM and NEMA) have been complied with at the time of delivery. When goods purchased hereunder are to be manufactured or produced outside the United States or its territories, Seller shall furnish at Buyer's request documents stating the names and addresses of the foreign manufacturers or producers, and containing written assurances of compliance with American standards. In addition to all warranties provided by law, Seller further represents and warrants that: (i) the Goods, when shipped, shall conform to specifications, drawings, samples or other descriptions furnished by Seller or specified by Buyer, and shall be of merchantable quality, fit and safe and free from defects in material, design and workmanship; (ii) it possesses all licenses and permits required by any state, federal or municipal agency that may be required to sell the Goods; (iii) the Goods are manufactured and labeled in compliance with all applicable federal, state and local environmental, health and safety laws and regulations; (iv) the Goods are fit for the particular purpose intended; (v) Buyer shall have good title to all Goods sold to PCG GLOBAL TRADE free and clear of all liens, claims and

encumbrances; (vi) the Goods do not infringe on any trademark or patent right; and (vii) Seller is in full compliance with the provisions of The Foreign Corrupt Practices Act of 1977 (as amended) and any rules or regulations promulgated thereunder. Buyer approval of specifications, drawings, samples and/or other descriptions furnished by Seller shall not relieve Seller of its obligations under this order. These warranties shall survive any inspection, acceptance or payment by Buyer, and shall be for the benefit of Buyer, its successors, assigns, customers, and the end-users of the goods or services to be provided pursuant to this order.

12. Seller warrants that, in its performance under this order, Seller and the goods furnished to Buyer comply with all applicable federal, state, and local statutes, rules of law, ordinances, regulations, and regulatory orders including, but not limited to those laws governing weights, measures, and sizes, EPA requirements, and the Consumer Product Safety Improvement Act, the Fair Labor Standards Act of 1938, as amended, Walsh-Healy Act, Robinson-Patman Act, applicable State Workers' Compensation laws, state and federal Occupational Safety and Health Acts, the Lacey Act (16 U.S.C. § 3371 et seq., as amended) for products containing wood fiber, all applicable United States Toxics in Packaging legislation, including EU REACH and RoHS legislation, and all rules and regulations passed pursuant thereto, which are incorporated herein by this reference, and hereby guarantees that no article is adulterated or misbranded within the meaning of the Federal Food, Drug, and Cosmetic Act, or is an article which may not, under the provisions of section 404, 505, or 512 of the act, be introduced into interstate commerce.

13. If the goods sold hereunder are subject to the OSHA Hazard Communication Standard 20 CFR Part 1910, or to such other state hazard communications laws, regulations, or standard as OSHA may have approved (the "Standard"), Seller shall provide Buyer with a complete and accurate Material Safety Data Sheet for each of the goods sold hereunder and shall label each of the goods as required by the Standard. Seller's failure to supply such sheet or to so label the goods shall be deemed to constitute Seller's warranty, representation, and covenant that each of the goods sold hereunder is exempt from the Standard.

14. This order shall be construed, interpreted and controlled by the laws of the State of Tennessee, and all claims arising out of or related to the parties' relationship created by this order, whether contract, tort or otherwise, shall be governed and decided pursuant to the laws of the State of Tennessee. Seller agrees to subject itself to the courts of Tennessee and such venue shall be exclusive regarding disputes arising out of this order.

15. These terms and conditions contained herein constitute the entire agreement between the parties relating to the goods and services that are the subject hereof. No modification shall be binding upon Buyer unless in writing signed by Buyer's duly authorized representative. Seller may not assign its rights and obligations under this order. Buyer shall be entitled to set off any amount owing from Seller to Buyer against any amount payable by Buyer to Seller. The waiver of any one breach or default made in accordance with the terms of this Agreement will not waive any subsequent breach or default of the same or different kind.