

Shorewood Packaging Corporation Standard Terms of Sale

THIS TRANSACTION AND ANY OTHER SALE OF GOODS IS GOVERNED BY SELLER'S STANDARD TERMS AND CONDITIONS OF SALE NOTWITHSTANDING ANY PROVISIONS SUBMITTED BY BUYER. ACCEPTANCE OF THE ORDER IS EXPRESSLY CONDITIONED ON BUYER'S ASSENT TO SELLER'S TERMS AND CONDITIONS. SELLER SPECIFICALLY REJECTS ANY DIFFERENT OR ADDITIONAL TERMS AND CONDITIONS AND NEITHER SELLER'S PERFORMANCE NOR RECEIPT OF PAYMENT SHALL CONSTITUTE ANY ACCEPTANCE OF THEM. IN THE EVENT THERE IS A WRITTEN AGREEMENT BETWEEN THE PARTIES THAT CONFLICTS WITH THE TERMS SET FORTH BELOW, THE TERMS OF THE WRITTEN AGREEMENT CONTROL.

- 1. Credit:** Acceptance of any order is subject to final credit approval. If at any time and for any reason the financial responsibility of Buyer shall become unsatisfactory to Seller, Seller may require cash or satisfactory security on subsequent shipments or deliveries without impairing the obligation of Buyer to take and pay for the quantity of goods ordered.
- 2. Price:** All prices are based on material and labor costs at the time of quotation. Price, delivery terms, terms of payment, and minimum shipment are subject to change upon 15 days advance notice. A quotation not accepted within thirty (30) days is subject to withdrawal and or revision.
- 3. Order Cancellation:** Seller shall be entitled to compensation for any and all costs and expenses arising after placement of an order whether or not in writing, up to the date of cancellation
- 4. Order Modification/Alterations:** Price quotations are based on the specifications provided by Buyer. Seller shall be entitled to adjust price for product to compensate for any and all costs, expenses and/or additional cost associated with any change to a product specification.
- 5. Buyer's Property:** Seller will only maintain fire and extended coverage on materials belonging to the Buyer while the materials are in Seller's possession. Seller's liability for this property will not exceed the amount recoverable from or the claim appraisal provided by insurance company or claims adjuster. Additional insurance coverage may be obtained subject to Seller's approval and payment for such additional coverage by Buyer.
- 6. Delivery:** Unless otherwise specified, the price quoted is for a single shipment, without storage, F.O.B. Seller's platform. Proposals are based on continuous and uninterrupted delivery of complete order (+/- 10% deemed complete), unless specifications expressly state otherwise. Special priority pickup or delivery service will be provided at current rates upon Buyer's request. Materials for contract packing by Seller shall be delivered from Buyer or its supplier and shall be verified with delivery ticket as to cartons, packages or items shown only. The accuracy of quantities indicated on such tickets will not be verified and Seller does not accept liability for shortage based on supplier's tickets. Title for finished work shall pass to the Buyer upon delivery to carrier at shipping point or upon mailing of invoices for finished work, whichever occurs first.
- 7. Payment Terms:** Payment shall be net cash thirty (30) days from the date of invoice unless otherwise provided in writing. A one and one half percent per month service charge (18 percent per annum) or the highest permissible rate under applicable law, whichever is less, shall be assessed on late payments. Buyer shall be responsible for all applicable taxes.
- 8. DISCLAIMER OF WARRANTIES:** THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION OF THE FACE HEREOF, AND SELLER MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WHETHER OF FITNESS FOR A PARTICULAR PURPOSE OR AGAINST INFRINGEMENT OR OTHERWISE, EXCEPT THAT THE PRODUCTS SOLD HEREUNDER SHALL BE OF MERCHANTABLE QUALITY AND SHALL CONFORM TO THE APPLICABLE SPECIFICATION FOR SUCH PRODUCT.
- 9. Limitation of Claims:** With respect to product or services, no claim by BUYER of any kind shall be greater in amount than the purchase price of the products in respect of which damages are claimed. In addition, SELLER shall have no liability whatsoever for incidental, special or consequential damages (including, but not limited to, damages for injuries to persons or to property). Buyer shall inspect the goods for non-conformity promptly upon receipt. Failure by BUYER to give SELLER written notice of claim within 30 days from date of delivery or, in the case of non-delivery, from the date fixed for delivery, shall constitute a waiver by BUYER of all claims in respect of such products. Any action for breach of this contract (other than for non-payment of the purchase price) must be commenced within one year after the cause of action has occurred.
- 10. Buyer's Indemnity: Artwork:** Buyer will hold Seller harmless and save, indemnify, and otherwise defend Seller against any and all liability, claims, demands, actions, proceedings, damages and costs, including attorneys' fees, arising out of or relating to this order on any and all grounds, including without limitation, any action connected with allegations of copyright infringement, invasion of any person's right to privacy or other personal or economic right, or the libelous, scandalous or obscene nature of the work produced or provided, regardless of Seller's negligence or contribution. The Buyer will, at the Buyer's sole expense, promptly and thoroughly defend Seller in all legal actions on these grounds as long as Seller: a) promptly notifies the Buyer of the legal action, and b) gives the Buyer reasonable time to undertake and conduct a defense. Seller reserves the right in its sole discretion to refuse to print anything it deems illegal, libelous, scandalous, improper or infringing upon copyright law.
- 11. Excused Nonperformance:** If the manufacture, transportation, delivery, or receipt by either party of any product covered hereby is prevented, restricted or interfered with by reason of any event or cause whatsoever beyond the reasonable control of the party so affected, such party shall be excused from making or taking deliveries hereunder to the extent of such restriction or interference. If for any reason, the quantities of the products covered hereby, or of any such products used in the production thereof, reasonably available to SELLER shall be less than its total needs for its own use and for sales, SELLER may equitably allocate its available supply of any such products among its Buyers (with contract Buyers being given priority) in such manner as SELLER deems proper without thereby incurring liability for failure to perform the contract.
- 12. Modification, Merger:** These terms may be modified or revised only by a writing signed by authorized agents of the parties. Unless the goods covered by the Acknowledgment are the subject of a written contract between the parties, the Acknowledgment shall constitute the entire agreement between the parties and there are no understandings, agreements or representations, express or implied, not specified herein.
- 13. Applicable Law:** This contract between BUYER and SELLER is to be construed, and the respective rights and duties of BUYER and SELLER are to be determined, according to the law of the State of New York.
- 14. Non-Assignability:** This contract between BUYER and SELLER is not assignable or transferable by either party, except to its successor or to the transferee of all or substantially all the party's assets to which this contract relates.