

NOVOLEX TERMS AND CONDITIONS

THESE PURCHASE ORDER TERMS AND CONDITIONS (THE "TERMS AND CONDITIONS") ARE PART OF EACH PURCHASE ORDER ("ORDER") ISSUED BY NOVOLEX HOLDINGS, LLC ("NOVOLEX"), AND/OR ANY AFFILIATE OF NOVOLEX DESIGNATED IN A PURCHASE ORDER AS PURCHASING PRODUCTS UNDER SUCH ORDER (IN EACH CASE REFERED TO AS "BUYER" UNDER THESE TERMS AND CONDITIONS), WHICH MAY INCLUDE, WITHOUT LIMITATION, HILEX POLY CO. LLC; DURO HILEX POLY, LLC; ACCUTECH FILMS, INC.; FORTUNE PLASTICS, INC.; NOVOLEX BAGCRAFT, INC.; PACKAGING DYNAMICS CORPORATION; PAC PAPER, LLC; INTERNATIONAL CONVERTER, LLC; DELUXE PACKAGING CORP.; DE LUXE PRODUITS DE PAPIER INC.; GENERAL PACKAGING PRODUCTS INC.; WFB HOLDINGS, INC.; WISCONSIN FILM & BAG, INC.; HERITAGE BAG COMPANY; BURROWS PAPER CORPORATION; WADDINGTON GROUP INC.; NOVOLEX UK HOLDINGS, LTD.; POLARPAK COMPANY; ECO-PRODUCTS, PBC; NOVOLEX SHIELDS, LLC; BAGCRAFTPAPERCON I, LLC, AND DIRECT PLASTICS, LTD. AND THEIR SUBSIDIARIES. UNLESS OTHERWISE PROVIDED BY SEPARATE WRITTEN AGREEMENT DULY SIGNED BY BUYER, AN ORDER MAY BE ACCEPTED ONLY UPON THESE TERMS AND CONDITIONS AND ANY SET FORTH IN THE ORDER AND ANY WRITTEN SPECIFICATIONS, DRAWINGS AND ADDITIONAL TERMS AND CONDITIONS WHICH MAY BE INCORPORATED BY REFERENCE BY BUYER OR ATTACHED HERETO BY BUYER (COLLECTIVELY, THE "PURCHASE AGREEMENT"). IN THESE TERMS AND CONDITIONS, "SELLER" MEANS THE SELLER NAMED IN THE ORDER, "GOODS" MEAN THE GOODS OR SERVICES THAT BUYER IS TO PURCHASE FROM SELLER AS DESCRIBED IN THE ORDER. ANY ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS IN SELLER'S ACCEPTANCE, ACKNOWLEDGMENT, INVOICE, OR OTHER RESPONSE HERETO SHALL BE DEEMED OBJECTED TO AND REJECTED BY BUYER AND SHALL BE OF NO EFFECT. ACCEPTANCE OF THE ORDER BY SELLER, INCLUDING THE PURCHASE AGREEMENT, WILL OCCUR UPON THE FIRST TO OCCUR OF ANY OF THE FOLLOWING EVENTS: (I) WHEN BUYER RECEIVES WRITTEN ACKNOWLEDGMENT THAT SELLER HAS ACCEPTED THE ORDER, OR (II) WHEN BUYER IS AWARE THAT SELLER HAS COMMENCED PERFORMANCE THEREUNDER.

1. PRICE

The price to be paid by Buyer and stated on any Order shall not be increased unless specifically authorized in writing by issuance of a revised Order by Buyer. If price is omitted, it is agreed that the Goods shall be billed at the price last quoted or paid, or the prevailing market price at time of delivery, whichever is lower, unless otherwise specified. Seller warrants that the prices charged Buyer and stated on the Order are no higher than prices charged on orders placed by others for similar quantities under similar conditions. If Seller shall establish, prior to shipment under any Order, lower prices or terms more favorable to Buyer than those stated on that Order, the lower prices or more favorable terms will apply to that Order.

2. INVOICES

Each invoice must bear Buyer's order number and coding, if any, and must be mailed not later than the day following shipment and be accompanied by a bill of lading if shipment is made by common carrier. A separate invoice must be rendered for each lot of Goods shipped or delivered to Buyer on account of an Order. Goods received and not covered by an invoice will be held at Seller's risk and expense.

3. TAXES

Unless Buyer agrees otherwise in writing, Buyer shall not be required to pay any sales, use or other taxes (whether federal, state or local), assessments, fees or duties arising because of Buyer's purchase from Seller or Seller's manufacture, performance or sale of the Goods (including, without limitation, any tax, assessment, fee or duty measured or imposed upon Seller's income, payroll or property and any franchise tax) ("Taxes"), and Seller shall be responsible and liable for paying, and shall pay, all

Taxes, provided, however, if such Taxes were not in effect at the time that Buyer and Seller entered into their agreement for Seller's production or provision of Goods for Buyer, any such Taxes shall be paid by the party upon which the legal incidence of the Tax is imposed. If Buyer agrees in writing to pay any Tax, then the correct dollar amount of the Tax shall be separately stated on Seller's invoice. All invoices must show S.C. Sales & Use Tax Direct Pay Permit #18901(19), registration #16-80577 for purchases within the State of South Carolina.

4. PAYMENT TERMS

The payment terms or cash discount period available to Buyer shall commence on the date of receipt of the goods or performance of services or on the date of receipt of the invoice; whichever is later. Invoices shall be paid according to discount terms, or if no discount is offered, according to due date terms. If no discount or due date is indicated, payment shall be made within sixty (60) days after receipt and acceptance of the Goods under any Order. Buyer's payment of the purchase price does not constitute acceptance of Goods. Buyer shall not be required to pay any late charge, interest, finance charge or similar charge. Seller shall give Buyer written notice of any claimed discrepancy in any amount paid or deducted by Seller pursuant to this Agreement within 180 days of such payment or deduction. If Seller fails to give notice within such period, Seller agrees that it will not thereafter assert any claim for such payment or deduction and waives any such claim.

5. **RIGHTS OF SETOFF**

Buyer's obligation to pay the price set forth in the Order will be subject to any abatement, reduction, setoff, defense, counterclaim, or recoupment for any reason whatsoever.

6. **QUANTITY**

Shipment of a quantity greater than that ordered will not be deemed accepted unless authorized in writing by Buyer, nor shall shipment of a lesser quantity and Buyer's acceptance thereof relieve Seller of its obligation to deliver the balance of the Goods ordered.

7. **DELIVERY**

Seller will deliver the Goods to Buyer on the times and dates shown in the Order. TIME OF DELIVERY IS OF THE ESSENCE. If Seller fails to deliver as and when specified, Buyer reserves the right to cancel the Order or any part thereof and purchase elsewhere and hold Seller accountable for any excess cost resulting therefrom without prejudice to its other rights. Seller agrees that Buyer may return, at Seller's expense, for full credit part or all of any shipment not timely delivered. All shipments will be delivered (1) with respect to domestic shipments, FOB Destination (Buyer receiving point), regardless of whether Seller or Buyer pays for actual freight delivery charges, and (2) with respect to international shipments, DDP to the destination specified in the Order and otherwise in accordance with the Order.

8. **SHIPPING INSTRUCTIONS**

Seller agrees to route all shipments as per any routing or ship-to instructions in the Order, or as requested by Buyer. If specific routing or ship-to instructions are indicated and not complied with, all extra shipping costs and other costs of Buyer resulting therefrom, including, without limitation, costs of reshipment to correct locations, will be paid by Seller.

9. **EXTRA SHIPPING CHARGES**

No charges will be allowed for drayage, boxing, storage or packing unless agreed upon by Buyer.

10. **PREMIUM SHIPMENTS**

If Seller's acts or omissions result in Seller's failure to meet Buyer's delivery requirements and Buyer requires a more expeditious method of transportation for the Goods than the transportation method originally specified by Buyer, then at Buyer's option Seller will (i) promptly reimburse Buyer the difference in cost between the more expeditious method and the original method, (ii) allow Buyer to reduce its payment of Seller's invoice by such difference, or (iii) ship the Goods as expeditiously as possible at Seller's expense and invoice Buyer for the amount which Buyer would have paid for normal shipment.

11. **INSPECTION AND ACCEPTANCE**

Buyer shall be under no duty to inspect Goods purchased hereunder before their use or resale, and processing, manufacture or resale shall not constitute an acceptance of Goods or a waiver of any claim. Buyer reserves the absolute right to reject and refuse or revoke acceptance of Goods which are not in accordance with any instructions, specifications, drawings and data or not otherwise in

accordance with Seller's warranties (express or implied) or the terms and conditions of the Purchase Agreement. Any inspection, discovery of any breach of warranty, failure to make an inspection, or failure to discover any breach of warranty does not constitute a waiver of any of Buyer's rights or remedies whatsoever. Goods rejected as not conforming to the Purchase Agreement or as otherwise deemed defective, will be returned to Seller at Seller's expense, including transportation and handling costs.

12. **WARRANTIES ABOUT THE GOODS**

Seller warrants that all Goods sold hereunder shall (i) conform with the requirements and specifications of the Order and all samples provided, (ii) be free from defects in design, material and workmanship, (iii) be merchantable and fit for Buyer's particular purposes; and (iv) comply with, and be manufactured, marked, labeled, branded and sold in compliance with all applicable laws, standards, rules and regulations. Seller further warrants that it has good title to all Goods, free and clear from any lien, encumbrance or rightful claim of any third party, including any claim for infringement of the intellectual property or other rights of a third party. These warranties shall be in addition to any other warranties, express or implied, in the Purchase Agreement or available to Buyer under applicable law. Seller agrees that the foregoing warranties shall survive delivery and acceptance of and payment for the Goods and shall extend to Buyer and its parents and subsidiaries, direct and indirect, their successors and assigns, affiliates, and to the customers, distributors, dealers and agents of any of them and to the users and consumers of the Goods. These warranties shall remain in effect for a period of one (1) year after the later of final acceptance of the Goods or discovery of a defect by Buyer.

13. **WARRANTIES AND AGREEMENTS ABOUT SELLER**

Seller warrants that as of the date of each Order (and/or such other date or dates specified in a particular representation or warranty) that the following statements are true and correct: (i) the Purchase Agreement is the valid and binding obligation of Seller, enforceable against Seller in accordance with its terms; (ii) Seller has all necessary experience, qualifications, expertise, authority, licenses and permits to enable it to perform its obligations under the Purchase Agreement; (iii) Seller is and, at the time of each delivery of the Goods will be, solvent; (iv) Seller has not offered or given, and shall not offer or give, any gratuity or thing of value to any employee of Buyer or of any affiliate of Buyer; (v) Seller is and shall continue to be in compliance with all equal employment and affirmative action provisions of Executive Order 11246, the Vietnam Era Veterans' Readjustment Assistance Act ("VEVRAA"), Section 503 of the Rehabilitation Act of 1973, as amended, Executive Order 12138, Section 8 of the Small Business Act, as amended (15 USC § 637), and all implementing regulations under those Orders, VEVRAA and those sections; (vi) any oral or written merchandise plan, advertising or promotion plan, payment, discount, or allowance and/or any service or facility Seller offers, gives, or pays to Buyer, complies with the applicable provisions of the Clayton Act, as amended by the Robinson-Patman Act, and the Federal Trade Commission Act; and (vii) Seller is and shall continue to be

in compliance with the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, as amended ("Bioterrorism Act") and all regulations issued under it. These warranties shall be in addition to any other warranties, express or implied, in the Purchase Agreement or available to Buyer under applicable law. Seller agrees that the foregoing warranties shall extend to Buyer and its parents and subsidiaries, direct and indirect, their successors and assigns, affiliates, and to the customers, distributors, dealers and agents of any of them and to the users and consumers of the Goods.

14. **INFRINGEMENT**

Seller will indemnify and save and hold harmless Buyer, its affiliates and each of their officers, employees, agents, successors, assigns, customers, and users of their products from and against all claims, actions, suits, losses, damages, liabilities, costs and expenses (including attorney's fees), in any manner arising out of or alleged to result from any claim that the manufacture, use, sale or resale of the Goods infringe any patent, copyright, trademark, trade secret or other intellectual property or third party right; and Seller when notified will, at Buyer's sole option, either defend any claim, action or suit of such infringement at its own expense with counsel of Buyer's choosing, or reimburse Buyer's expenses, attorneys' fees, and all other costs and liabilities whatsoever for defending such claim, action or suit. If the Goods or any part thereof or any use thereof in reasonable contemplation of the parties at the time of their purchase are held in any claim, action or suit to constitute an infringement and their use is enjoined, Seller will promptly and at its own expense (i) procure for Buyer the right to continue use of the Goods, (ii) replace the same with noninfringing goods satisfactory to Buyer, or (iii) modify the Goods in a way satisfactory to Buyer and its counsel so they become noninfringing.

15. **INDEMNIFICATION**

Except to the extent that any injury or damage is due solely to Buyer's gross negligence, Seller agrees to indemnify and save and hold harmless Buyer, its affiliates and each of their officers, employees, agents, successors, assigns, customers, and users of their products from and against all claims, actions, suits, recall campaigns or other corrective service actions, losses, damages, liabilities, costs and expenses (including attorneys fees) in any manner arising out of or alleged to have resulted from the Goods, including without limitation due to a breach by Seller of any representation, warranty or obligation under the Purchase Agreement or any death, injury or damage to any person or property caused by the Goods (collectively, the "Claim"), and, Seller when notified will, at Buyer's sole option, either defend the Claim at its own expense with counsel of Buyer's choosing, or reimburse Buyer's expenses, attorney's fees, and all other costs and liabilities whatsoever for defending such Claim. The foregoing indemnification will apply whether the damage is caused by the sole or concurrent negligence of Seller.

To the extent that Seller's agents, employees, or subcontractors enter upon the premises of Buyer, Seller will take all necessary precautions to prevent injury or death to

any person or damage to property arising out of acts or omissions of such agents, employees, or subcontractors, and, except to the extent that any such injury or damage is due solely and directly to Buyer's gross negligence, will indemnify, defend, and hold harmless Buyer, its affiliates and each of their officers, employees, agents, successors, and assigns, from and against all claims, actions, suits, losses, damages, liabilities, costs and expenses (including attorneys' fees), in any manner arising out of or alleged to have resulted directly or indirectly from any act or omission of Seller, its agents, employees, or subcontractors.

16. **INSURANCE**

Seller will maintain and require its subcontractors to maintain (i) commercial general liability insurance and automobile liability insurance (including contractual and products liability), in amounts sufficient to cover Seller's obligations under the Purchase Agreement, but no less than \$5,000,000 per occurrence with Buyer as an additional insured, and (ii) worker's compensation and employer's liability insurance covering all employees engaged in the performance of the Purchase Agreement. All insurance that this section requires shall be issued by insurers having an A.M. Best financial rating of "A" or better. Seller will furnish, upon Buyer's request, certificates evidencing such insurance providing at least 30 days prior written notice of cancellation or change.

17. **CONFIDENTIAL INFORMATION**

All information, drawings, know-how, methods, marketing strategies, specifications, prices, costs, business plans, purchasing data, research and development data, customer lists or information, and other data (collectively, "Confidential Information") furnished by Buyer to Seller, or otherwise learned by Seller as a result of its relationship with Buyer, is proprietary to Buyer, and Seller agrees to keep all such Confidential Information confidential and use such Confidential Information only as necessary in order to fulfill Seller's obligations to Buyer under the Order. Seller further agrees to return to Buyer all Confidential Information, including all copies thereof made by or for Seller, upon Buyer's request. Seller will not in any manner advertise or publish the fact that it has furnished or contracted to furnish to Buyer the Goods without prior written consent of Buyer. Seller will not have the right under any circumstance to use the name of Buyer as its own or hold itself out in a manner that would lead a third party to reasonably believe Seller is acting as or on behalf of Buyer.

18. **PROPRIETARY RIGHTS**

Seller will not sell or otherwise dispose or transfer any Goods that are supplied to Buyer under an Order and that incorporates any trademark, patentable invention, copyright work, industrial design, Confidential Information or other matter that is the subject of any intellectual property right of Buyer to any party other than Buyer except when specifically authorized by Buyer in writing. Any ideas, inventions or discoveries resulting from Buyer's use of Goods sold hereunder or related thereto will be the sole property of Buyer.

19. **TITLE AND ENGINEERING DRAWINGS, SPECIFICATIONS**

Any documents, including drawings and specifications, produced or acquired by Seller under an Order will belong to Buyer, subject only to Seller's patent rights, if any, but without any other restrictions on Buyer's use, including reproduction, modification, disclosure, or distribution of the documents or the information contained therein.

Buyer grants to Seller a limited, nonexclusive, nonassignable license to use Buyer's drawings, know-how, and other Confidential Information only for the purpose of fulfilling its obligations under an Order. Seller will not disclose such drawings, know-how or other Confidential Information to third parties unless this is required for Seller to fulfill its duties under the Order.

20. **TOOLS**

Unless otherwise agreed upon in writing by Buyer, Seller at its own expense will furnish, keep in good condition, and replace when necessary all tools, jigs, dies, gauges, fixtures, and molds ("Tools") necessary for the production of the Goods. At Buyer's request a complete set of Tool drawings will be made available to Buyer. Seller will insure the Tools and other Seller property for the replacement value thereof for all risks of physical loss, including theft, and provide proof of such insurance to Buyer at Buyer's request. Seller waives all subrogation rights against Buyer as respects any of Seller's property on Buyer's premises or elsewhere. Seller grants Buyer an irrevocable option to take possession of and title to the Tools upon payment to Seller of the book value thereof less any amount that Buyer has previously paid to Seller for the cost of such Tools; provided, however, that this option will not apply if such Tools are used to produce Goods that are the standard stock of Seller or if a substantial quantity of like goods are being sold by Seller to others. All Tools furnished by Buyer, either directly or indirectly to Seller to perform the Order, or for which Seller has been reimbursed by Buyer, will be and remain the property of Buyer. All Tools owned by Buyer must be identified by the part number and marked "Property of Hilex Poly Co. LLC" or a Buyer-designated customer. At Buyer's request, such property shall be immediately released to Buyer or delivered to Buyer by Seller F.O.B. to the destination designated by Buyer, properly packed and marked in accordance with the requirements of the carrier selected by Buyer to transport such property.

21. **COMPLIANCE WITH LAWS; ETHICS**

Seller represents, warrants and certifies that it, and any Goods manufactured, sold or rendered in connection with an Order, are and will at all times be in compliance with all applicable federal, state, local and other laws, regulations, rules or orders, including, without limitation, the Fair Labor Standard Act, as amended (and this certification shall be deemed to be the written assurance contemplated by such Act), and the Food and Drug Act, as amended and its implementing regulations. Seller agrees to indemnify, defend and hold harmless Buyer, its affiliates and each of their officers, employees, agents, successors, assigns, customers, and users of their products from and against all claims, actions, suits, losses, damages, liabilities, costs and

expenses (including attorney's fees) in any manner arising out of or alleged to have resulted from Seller's violation of any applicable laws, regulations, rules or orders.

Novolex requires its vendors, suppliers and third party partners to conduct their business in an ethical and responsible manner by complying with laws and regulations and adopting policies and practices including but not limited to those that respect human rights, strive to minimize the impact of operations on the environment, protect worker health and safety, provide fair labor conditions and preserve a fair and competitive marketplace. For the complete list of these and other requirements, refer to the Novolex Supplier Code of Conduct available at Novolex.com.

22. **OCCUPATIONAL SAFETY AND HEALTH**

Seller agrees to comply, and to require its employees, agents and contractors to comply, with the provisions of the Federal Occupational Safety and Health Act, as amended, and the standards and regulations issued thereunder and warrants that all Goods furnished under an Order will conform to and comply with said standards and regulations. Further, Seller agrees that at any time that Seller's employees, agents and contractors are performing services in Buyer's facilities or in proximity to Buyer's employees, Seller shall require its employees, agents or contractors to comply with all safety rules and regulations promulgated by Buyer.

23. **TOXIC SUBSTANCES CONTROL**

Seller expressly represents and warrants that each and every chemical, chemical substance, and in the case of mixtures, every chemical substance ingredient, sold or otherwise furnished hereunder is, at the time of such sale and delivery to Buyer, listed in the Toxic Substances Control Act Chemical Substance inventory compiled and published by the U.S. Environmental Protection Agency pursuant to the Toxic Substances Control Act, as amended, and is otherwise manufactured, sold, furnished and/or delivered in compliance with all applicable provisions of such Act.

Seller expressly represents and warrants that the Goods sold or otherwise furnished hereunder are not and/or do not contain chemicals or other substances whose use of any kind, or presence in consumer goods has been banned, or whose use has been restricted or limited in any manner without such restriction or limitation being clearly identified with respect to each such chemical or other substance and the components thereof on the labeling of each such Good.

24. **INGREDIENTS, DISCLOSURE, AND SPECIAL WARNINGS AND INSTRUCTIONS**

Pursuant to federal and state regulations, Buyer maintains a current file of Material Safety Data Sheets ("MSDS"). It is Seller's responsibility to supply MSDS information along with all updates as they shall occur. In addition and at Buyer's request, Seller will promptly furnish to Buyer in such form and detail as Buyer may direct (i) a list of all ingredients in the Goods, (ii) the amount of each ingredient, and (iii) information concerning any changes in or additions to such ingredients. Prior to and with the shipment of the Goods,

Seller will furnish to Buyer sufficient warning and notice in writing (including appropriate labels on goods, containers, and packaging) of any hazardous material that is an ingredient or a part of any of the Goods, together with any special handling instructions as may be necessary to advise carriers, Buyer, and their respective employees of the measure of care and precaution that will best prevent bodily injury or property damage in the handling, transportation, processing, use, or disposal of the Goods, containers, and packaging shipped to Buyer. Contractors, subcontractors and service providers are required to submit information regarding potential environmental impacts of proposed on-site projects, services, or activities with any request for a quote from Buyer. If adverse environmental impacts can result from proposed on-site activities or from accidental occurrences, the contractor, subcontractor or service provider is required to detail the methods that will be taken to minimize and manage environmental impacts. This information may be in the form of drawings, descriptions of control mechanisms, plans or other means.

25. **CHOICE OF LAW AND FORUM**

The Purchase Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, United States of America, and the federal laws applicable therein, without regard to the laws of such jurisdiction concerning conflicts of law. Any civil action related to the Purchase Agreement will be instituted and maintained in the federal or state courts for Darlington County, South Carolina and Seller consents to the personal jurisdiction of such courts. In the event that the Purchase Agreement is with a Seller from a country that is a signatory to the United Nations Convention on Contracts for the International Sale of Goods ("CISG"), the parties agree that the CISG shall not govern the Purchase Agreement.

26. **TERMINATION FOR CONVENIENCE OF BUYER**

Buyer reserves the right to terminate an Order or any part of it for Buyer's sole convenience. In the event of such termination, Seller shall immediately stop all work thereunder and shall immediately cause any of its suppliers or subcontractors to cease such work. In the event that Buyer terminates an Order at least thirty (30) days prior to the shipment date set forth in the Order, Buyer shall not be liable to Seller for any amount. In the event that Buyer terminates an Order less than thirty (30) days prior to such shipment date, Buyer's liability to Seller with respect to such Order shall be limited to: (i) Seller's purchase price of all components not usable in Seller's or Seller's subcontractor's other operations or marketable to Seller's other customers, plus (ii) the actual costs incurred by Seller in procuring and manufacturing material not usable in Seller's or Seller's subcontractor's other operations. Seller shall not be paid for any work done after receipt of notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided, nor shall Buyer be liable for any loss of profits on the order or portion thereof so terminated or suspended, nor for any consequential or incidental loss or damage, nor for any suspension delay,

termination or cancellation charges. Seller shall not unreasonably anticipate the requirements of an Order.

27. **TERMINATION FOR CAUSE**

Buyer may terminate an Order or any part of it for Cause. Cause shall include: (i) any default by Seller, (ii) any failure by Seller to comply with any of the terms and conditions of the Purchase Agreement, including late deliveries, deliveries of Goods which are defective or which do not conform in any respect to the requirements stated in the Purchase Agreement, (iii) failure to provide Buyer, upon request, with adequate assurances of future performance, (iv) Seller's financial condition is found to be or becomes unsatisfactory to Buyer; or (v) Seller becomes insolvent or there is filed by or against Seller a petition in bankruptcy, reorganization or other insolvency proceeding. In the event of termination for Cause, Buyer shall not be liable to Seller for any amount, and Seller shall be liable to Buyer for any and all damages sustained by the Cause which gave rise to the termination. If it should be determined that Buyer has improperly terminated any Order for Cause, such termination shall be deemed a termination for the convenience of Buyer.

28. **FORCE MAJEURE**

Buyer will have the right to suspend shipments from Seller hereunder and refuse to accept delivery of the Goods, without incurring any liability to Seller, in the event of war, riot, flood, acts of God, terrorist acts, fire, court order, strike, work stoppage, act of governmental authority, or any other cause beyond Buyer's control.

29. **CHANGES**

Buyer shall have the right at any time, by written order of an authorized contracting official of Buyer, to make changes to an Order including, but not limited to changes in drawings, designs, specifications, materials, packaging, time and place of delivery and method of transportation. If any such changes cause an increase or decrease in the cost or the time required for performance, an equitable adjustment shall be made and the Order shall be modified in writing accordingly provided that Seller submits its claim for adjustment in writing within thirty (30) calendar days after receipt of the written change Order. However, nothing in this paragraph shall excuse Seller from proceeding with the Order as changed.

30. **RECORDS**

Seller shall maintain complete and accurate records of all transactions and activities of Seller that relate to Seller's sale or provision of Goods under the Purchase Agreement and shall permit Buyer and its agents, upon reasonable prior notice, to enter Seller's premises during Seller's normal business hours to inspect the facility and those records that are reasonably asked for and are reasonably available, to the extent that Buyer believes in good faith that an inspection and/or audit of the facility and/or records is necessary to determine whether Seller is complying or has complied with its obligations under the Purchase Agreement.

31. **ASSIGNMENT AND SUBCONTRACTING**

Seller shall not, without the written consent of Buyer, (i) assign the Purchase Agreement or the performance of an Order or any amounts payable pursuant to an Order, or (ii) subcontract the provision of any Goods hereunder. The consent of Buyer to any assignment or subcontracting shall not (i) with respect to subcontracting, relieve Seller of its responsibility for the performance of any of its other obligations under the Purchase Agreement, or (ii) constitute Buyer's consent to further assignment or subcontracting. Seller will ensure that any third party to whom Seller subcontracts any of its obligations hereunder is bound by all the terms and conditions under the Purchase Agreement relating to such performance to which Seller is bound under the Purchase Agreement. The Purchase Agreement shall be binding on the parties, and their respective successors and permitted assigns. Any assignments in contravention of this provision shall be void.

32. **EXPORT AND IMPORT REQUIREMENTS; DRAWBACK AND REFUND RIGHTS**

Seller shall prepare, maintain and, to the extent that that applicable law, regulation or customs authority requires it to do so, submit to the applicable customs authorities, all information and documentation that is necessary to comply with the applicable customs and export and import requirements of each country from which the Goods will be exported and each country into which they will be imported, and Seller shall comply with all other applicable customs requirements. Whenever Buyer requests it to do so, Seller shall promptly furnish to Buyer copies of that information and documentation. Seller is solely responsible for complying with all technical compliance and country of origin requirements of each country into which the Goods are to be imported. Seller assigns and transfers to Buyer all transferable customs duty and tax drawback or refund rights relating to the Goods, including rights developed by substitution and rights that Seller acquires from its suppliers. Seller shall promptly inform Buyer of each such right and, upon Buyer's request, shall promptly provide to Buyer all documents and information that are required for Buyer to obtain each such drawback and refund. If importation of the Goods results in the assessment of a countervailing duty on Buyer as the importer, Seller will reimburse such countervailing duty to Buyer, provided such reimbursement is permitted under applicable laws and regulations.

33. **NOTICES**

Any notice or other communication that is required or permitted under the Purchase Agreement shall be in writing and shall be effective (i) when personally delivered or sent by telecopier or via electronic mail, (ii) the next business day after delivery to a nationally-recognized overnight delivery service designated for next business day delivery with all charges prepaid, or (iii) three (3) days after mailing if sent by certified mail, return receipt requested, postage prepaid, addressed to Buyer or Seller, as applicable, at its address specified in the order or to another address that a party shall specify to the other by written notice, except that a notice or other communication may be given orally, including by

telephone, if it is confirmed by written notice given the same day.

34. **REMEDIES**

The remedies in these Terms and Conditions and any Order are cumulative and in addition to, and not in lieu of, any other remedies provided at law or in equity.

35. **WAIVER; MERGER; MODIFICATION**

Failure by either party to require strict performance hereunder will not be deemed a waiver of that party's right to subsequently require strict performance. The Purchase Agreement constitutes the entire agreement of the parties and supersedes all prior and contemporaneous agreements, inducements or conditions, express or implied, oral or written. The Purchase Agreement may not be modified except by Buyer as provided expressly herein or by written instrument executed by a duly authorized officer of each of Buyer and Seller.

36. **SURVIVAL**

Sections 3, 4, 5, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 30, 32, 33, 34, 35, and 37 shall survive the expiration or termination of the Purchase Agreement as well and any other terms and conditions which by their nature should survive termination.

37. **SEVERABILITY**

The terms and conditions of the Purchase Agreement are severable and if any terms and conditions or portions of any terms and conditions of the Purchase Agreement are stricken or declared illegal, invalid, or unenforceable for any reason whatsoever, the legality, validity or enforceability of the remaining terms and conditions of the Purchase Agreement will not be affected thereby. Nothing in any section of this Agreement shall affect or limit a party's obligations under any other section of this Agreement.