

These Terms and Conditions of Sale on Goods & Services (these “Terms”) apply to the sale of goods (the “Products”) and/or services (the “Services”) by Advanced Barrier Extrusions, LLC, ABX Innovative Packaging Solutions, LLC, or any of their respective affiliates. The Advanced Barrier Extrusions, LLC or ABX Innovative Packaging Solutions, LLC selling entity is hereinafter referred to as “Supplier” and the buyer is hereinafter referred to as “Buyer”. These Terms are the only terms and conditions applicable to the sale or other provision of Supplier goods and services to Buyer except those that relate to prices, quantities, and delivery schedules, and any other terms included in Supplier’s quotation (the “Quotation”), which terms control in the event of any conflict with these Terms, unless otherwise agreed upon by Supplier in a signed writing. Except as expressly contemplated in these Terms, Supplier rejects any other terms and conditions appearing on, referenced in, or attached to Buyer issued documents. Buyer’s acceptance of a Quotation, submission of a purchase order, or acceptance of delivery of goods and/or services, each constitute its acceptance of these Terms.

1. PRICES AND DELIVERY

Prices quoted are exclusive of, and Buyer will pay, shipping and related fees, foreign, federal, state, local excise, sales, use, personal property and any other taxes or duties, except only taxes based on Supplier’s income. Without limiting the generality of the foregoing, unless otherwise specified in the applicable Quotation or Purchase Order, Buyer will pay all freight charges incurred in connection with the shipping and delivery of the Products to Buyer. Any certificates or other evidence of applicable exemptions to such taxes or duties must be provided to Supplier prior to invoicing or such taxes or duties will be charged to Buyer; provided, however, if Supplier does not collect such items from Buyer and is later requested or required to pay the same to any taxing authority, Buyer shall promptly make payment to Supplier or directly to such taxing authority if requested by Supplier.

Supplier does not represent that its prices are equal to or lower than those charged to other customers or comparable to prices offered by a third party.

The parties agree that the pricing in the Quotation properly reflects any and all discounts (including without limitation the value of any discounts, rebates, or other price concessions) and such discounts are intended to reflect discounts or other reductions in price within the meaning of the discount exception to the Federal Anti-Kickback Statute 42 U.S.C. Section 1320a-7b (b) (3) (A). Buyer will properly report and appropriately reflect such discounted prices on cost reports or claims submitted to any state or federal program that provides reimbursement to Buyer for the discounted goods and/or services. Buyer will also retain invoices and other price documentation and make them available to federal and state officials upon request.

Shipments shall be made in accordance with the delivery schedule outlined in the applicable (i) Quotation or (ii) purchase order expressly accepted by Supplier (a “Purchase Order”). Unless otherwise provided in the applicable Quotation or Purchase Order, (i) Buyer shall be responsible for arranging shipping to and from Supplier’s facilities and payment of all costs related thereto and (ii) terms shall be FOB Supplier’s dock, and Supplier shall bear no risk of loss following the pickup therefrom. For the avoidance of doubt, unless otherwise provided in the applicable Quotation or Purchase Order, Buyer shall be solely responsible for all freight costs.

Products to be exported, if any, are subject to Supplier’s ability to obtain export licenses and other necessary papers within a reasonable time. Buyer will furnish all consular and customs declarations and will accept and bear all responsibility for penalties resulting from errors or omissions therefrom. Except as otherwise expressly stated on the Quotation, Buyer shall be responsible for all costs of shipping and transport of the Products, including packing materials, and any import and/or export duties.

In the event Buyer requests that Supplier hold Products in inventory on behalf of Buyer and Supplier agrees in writing to such request, with regard to any such inventoried Product that is not ordered within sixty (60) days of such agreement, such Product shall automatically be deemed inactive, and Buyer agrees to promptly pay for such inactive Products within thirty (30) days of such inactivity.

2. ORDERS

Buyer shall not return or exchange shipped Products without Supplier’s express prior written permission (which may be withheld in Supplier’s sole discretion). Products returned to Supplier without Supplier’s permission shall be returned to Buyer at Buyer’s sole cost and expense. Products returned with Supplier’s permission may be subject to a restocking fee.

In the event Buyer issues a blanket Purchase Order where the prices for the subject Products are fixed as of the time of such Purchase Order, Supplier accepts such Purchase Order, and Buyer issues one or more documents pursuant to such Purchase Order that identifies the quantities of Products to be purchased by Buyer (if such quantities are not specified in such Purchase Order) and the requested delivery date for such Products (each, a “Release”), the prices for such Products ordered pursuant to such Purchase Order or any such Release shall expire sixty (60) days following Supplier’s acceptance of such Purchase Order. Upon such expiration, the prices for such Products may automatically default to prices reflective of the current market prices for the Products (including any components thereof), as determined by Supplier in its sole discretion.

Buyer may not cancel any order and shall be liable for a fee equal to 100% of the contract value plus any cancellation charge incurred by Supplier and any expenses or fees incidental to such cancellation, including the cost of any raw or production materials purchased in furtherance of such order.

To the extent (i) Buyer requires or requests that Supplier initiate or prepare for production of the Products or performance of the Services (whether or not pursuant to an order, a Quotation or forecasts) or (ii) Supplier informs Buyer that it is initiating or preparing for production of the Products or performance of the Services based on Buyer forecasts or other information provided by Buyer (and Buyer does not instruct Supplier to defer initiation or preparations for production within 5 days of being so informed), including by purchasing (or entering into a commitment to purchase) any raw materials, Buyer shall be responsible for all costs incurred by Supplier in connection with, or incidental to, fulfilling such requirement or requests (including the cost of purchasing the raw materials), whether or not such Products or Services are ultimately required by Buyer, regardless of the absence of a purchase order for such Products, Services or raw materials.

Buyer shall inspect the Products promptly following taking possession thereof (but in any event, within ninety (90) days following taking possession thereof) (the “Inspection Period”) and inform Supplier of any failure of such Products to comply in all material respects with any applicable specifications agreed to by Buyer and Supplier or the warranties applicable thereto. If any of the Products fail to comply in any material respects with any applicable specifications or warranties, Buyer may reject such Products by providing prompt written notice of such rejection to Supplier (in any event within two (2) business days following the Inspection Period) and Supplier shall replace such non-compliant Products at its expense. If Buyer fails to provide written notice to Supplier of such rejection within such two (2) business day period, the Products shall be deemed to be accepted by Buyer.

3. EXCUSABLE DELAYS

Supplier shall not be liable for any loss, damage, cost or expense resulting from delays arising out of causes beyond its control and without its fault or negligence, including acts of God, acts of the government, fires, floods, strikes, freight embargoes, delays in transportation, difficulties in obtaining labor, materials, manufacturing facilities or transportation, and unusually severe weather (each a “Force Majeure Event”), nor shall such delay affect the remainder of any order. Upon such Force Majeure Event, the time for performance shall be suspended for the duration of the Force Majeure Event. If the Force Majeure Event materially impacts Supplier’s ability to meet its obligations at the agreed upon price, Supplier may reasonably increase pricing upon written notice to Buyer.

4. PAYMENT

Except as otherwise set forth in an applicable Quotation, amounts due in respect of the Products and Services will be paid within thirty (30) days from the earlier of (i) Buyer’s receipt of an invoice for such Products or Services and (ii) Buyer’s acceptance of such Products or Supplier’s performance of such Services, as applicable. Supplier shall have the right to charge Buyer any freight surcharges incurred by Supplier and may reflect such charges on the applicable invoice. In the event Buyer’s payments are not paid when due under the terms of the Quotation, Supplier may charge interest at a rate specified on the Quotation for the period commencing on the due date until the same are paid in full, or the highest interest rate permitted by applicable law, whichever is lower. Supplier may require payment in advance due to its risk assessment of Buyer’s financial condition. Payments by Buyer are not subject to setoff or recoupment for any present or future claim Buyer may have against Supplier or its affiliates.

If Buyer fails to make payments when due, Supplier may immediately repossess all Products not paid in full and may suspend provision of the Products or Services, and Buyer shall pay for any reasonable out-of-pocket expenses incurred by Supplier in collecting payments, including without limitation, third-party attorneys’ and collections fees.

Until Buyer has paid the entire purchase price, Buyer grants and conveys to Supplier and Supplier retains, a purchase money security interest in the Products. Upon written request by Supplier, Buyer will execute any document necessary for Supplier to perfect the security interest, and Buyer authorizes Supplier to file this document and any appropriate financing statement for purposes of such perfection.

5. WARRANTY

Supplier hereby provides a limited warranty to Buyer that all Products furnished by Supplier to Buyer shall comply with the specifications agreed to by Buyer and Supplier at the time such Products depart Supplier’s facility. In the event of breach of the foregoing warranty, Supplier shall take reasonable action, at Supplier’s expense, to correct such breach or replace the non-conforming Products with conforming Products. **The foregoing remedy is Buyer’s sole and exclusive remedy against Supplier for breach of this warranty. Supplier hereby expressly disclaims all implied warranties, including without limitation any implied warranty as to merchantability or fitness for a particular purpose.**

For the avoidance of doubt, Supplier shall not be liable to Buyer or otherwise for any defect or deficiency which results, in whole or in part, from (i) negligent storage or handling of the Products by Buyer, its employees, agents, or contractors, or use that is inconsistent with normal storage or operational conditions or (ii) any misuse, alteration or damage occurring after title of the Products has transferred to Buyer pursuant to the terms hereof.

EXCEPT AS PROVIDED IN THIS SECTION 5, NEITHER SUPPLIER NOR ANY PERSON OR ENTITY ON SUPPLIER’S BEHALF MAKES, ABX HEREBY EXPRESSLY DISCLAIMS, AND BUYER HEREBY IRREVOCABLY WAIVES, ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE PRODUCTS, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO THE QUALITY, MERCHANTABILITY OR FITNESS OF THE PRODUCTS OR ARISING FROM A COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, AT LAW, IN EQUITY, BY STATUTE (INCLUDING WITHOUT LIMITATION, THE UNIFORM COMMERCIAL CODE) OR OTHERWISE.

6. TERMINATION FOR DEFAULT

Supplier may terminate all or any part of any Purchase Order or Quotation, upon prior written notice of default to Buyer, if Buyer becomes insolvent or subject to proceedings under any law relating to bankruptcy, insolvency or the relief of debtors. Upon such termination, Buyer shall be liable for 100% of the contract value plus any costs or expenses incurred by Supplier in connection with such termination.

7. INTELLECTUAL PROPERTY

Supplier and its licensors will retain all solely and exclusively intellectual property rights to the Products and Services (other than Buyer IP (as defined below)), including without limitation, designs, drawings, patterns, plans, specifications, technology, technical data, software and information, technical processes and business methods, whether patentable or not, arising from the sale or other provision of the Products or Services to Buyer. Buyer will not assert or enforce or seek to assert or enforce against Supplier, Supplier’s buyers or their respective affiliates any intellectual property rights that include any system, process or business method utilizing or otherwise relating to Products or Services acquired from Supplier. Buyer acknowledges that the packaging and labeling of the Products will bear Buyer’s trade names and trademarks (“Buyer IP”). Buyer hereby grants Supplier a non-exclusive, worldwide and royalty-free license to use such Buyer IP in connection with such packaging and labeling. Buyer shall review all packaging materials prior to order and provide its written approval (including by e-mail) of the use of such packaging materials for the Products.

8. ASSIGNMENT

Buyer may not assign these Terms or a Purchase Order without the prior written consent of Supplier. Supplier may freely assign this Agreement without the consent of Buyer. Any attempted assignment of these Terms or any Purchase Order in violation of the foregoing shall be null and void.

9. COMPLIANCE WITH LAWS

The parties will comply with all applicable federal, state or local laws, orders, regulations and/or ordinances applicable to the sale, purchase and distribution of the Products and the performance and use of the Services, including without limitation anti-bribery, anti-corruption, import/export, privacy and anti-kickback laws.

10. LIMITATION OF LIABILITY

EXCEPT AS OTHERWISE REQUIRED BY LAW, IN NO EVENT WILL SUPPLIER BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING WITHOUT LIMITATION DAMAGES FOR BUSINESS INTERRUPTION OR LOSS OF PROFITS) BASED UPON BREACH OF ANY WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER LEGAL THEORY. SUPPLIER’S MAXIMUM LIABILITY HEREUNDER WILL NOT EXCEED THE PRICE OF THE PRODUCTS OR SERVICES FURNISHED BY SUPPLIER GIVING RISE TO THE CLAIM. Supplier’s rights and remedies in these Terms are in addition to, and not in lieu of, any other rights or remedies that Supplier may have at law or in equity.

11. GOVERNING LAW AND VENUE

These Terms are governed by and shall be construed in accordance with the laws of the State of North Carolina, excluding its conflicts of law rules. The parties hereby irrevocably and unconditionally: (a) consent to the sole and exclusive venue and jurisdiction of the federal and state courts situated in or having jurisdiction in Charlotte, Mecklenburg County, North Carolina; (b) agree that any suit, action, or

proceeding arising out of or relating to this Agreement shall be instituted only in such courts; and (c) waive all defenses to the jurisdiction and venue of such courts, including without limitation, lack of personal jurisdiction and forum *non conveniens*. The United Nations Convention on Contracts for the International Sale of Goods shall not apply. Any action by Buyer for loss or damage arising from or related to the goods and/or services must be commenced within the earlier of one (1) year from the date of delivery or occurrence of the event, or such claim will be forever barred. If Supplier substantially prevails in any legal dispute, Buyer shall pay all reasonable costs incurred by Supplier, including but not limited to collection costs, attorneys' fees and costs of legal action.

12. INDEPENDENT CONTRACTOR

The parties shall be considered independent contractors for the purposes of these Terms and any ORDER. The relationship between Buyer and Supplier shall not be that of partners, agents or joint venturers. Nothing in these Terms or any order shall be deemed to constitute a partnership, agency agreement or joint venture between them for any purpose whatsoever.

13. ENTIRE AGREEMENT; MODIFICATIONS; WAIVER; SURVIVAL

These Terms, any Quotation and any Purchase Order (including any Release thereunder) constitute the entire agreement between the parties with regard to the subject matter hereof, there being no other promises, terms, conditions, or obligations, referring to such subject matter not contained or referred to herein, and superseded all prior and other contemporaneous agreements between the parties, whether written or oral, with regard to such subject matter. If any provision of these Terms, to any extent, is declared invalid or unenforceable, the remainder of these Terms will not be affected thereby and will continue to be valid and enforceable to the fullest extent permitted by law. Any modifications hereto must be in writing and signed by both parties. Supplier's failure to strictly enforce any of these terms shall not be considered a waiver of any of its rights hereunder. The termination or expiration of these Terms will not affect the survival and continuing validity of any provision which expressly or by implication is intended to continue in force after such termination or expiration.