

THE PLATINUM PACKAGING GROUP

PLAT*Machinery*

TERMS AND CONDITIONS OF SALE (MACHINERY/EQUIPMENT) *Refurbished and New*

Dear Customer,

Please review your attached Sales Order.

The following are **The Platinum Packaging Group, Inc. (PPG)**, terms and conditions of the products and/or services, which are specified on the sales order:

1. LEAD TIME

- a. We estimate our lead time to be 8 to 10 weeks (approximately 2 and a half months) from the date of receipt of a formal complete order, a signed proposal, product samples or deposit, whichever is at the latest.
- b. Lead times may change with little notice due to supply chain challenges.
- c. Any delay in receipt or negotiation of good funds may cause the Customer's ship date to be delayed.
- d. PPG's estimated ship date is based on current production schedules and is subject to change.
- e. Upon completion of the machine, please allow 2-3 business days for testing.
- f. Please note that if any challenges arise during the testing phase, the shipment date will be postponed. PPG's project manager will inform the customer in case of any delays.

2. TRAINING

- a. As part of the machine acceptance demonstration, up to 2 hours of customer training are conducted free-of-charge at PPG's location.
- b. Training and Installation services are also available at the customer's location for an additional charge. These services can be provided by PPG Service Technicians or factory trained PPG distributor technicians.
- c. PPG encourages customer training for safety and improved machine operator performance at customer sites.

3. CUSTOMER'S RESPONSIBILITY

- a. **Supply of Samples:** The customer is responsible for supplying 2 sets of suitable samples. The first set is to be supplied with the machine order for machine manufacturing. The second set of samples to PPG or the machinery manufacturer for test running the equipment before shipping, typically for 2 minutes of running time. Sample and shipping costs are to be covered by the customer.
- b. **Dimension Verification:** Verify the machine dimensions against the access doors and hallways at the location. The machine may be wider than a standard doorframe. Please check beforehand!
- c. **Shipment Unloading:** Arrange for the safe unloading of the shipment upon its arrival at your location. A forklift may be needed.
- d. **Shipment Damage Check:** Upon arrival, check for any damage to the shipment and promptly report any damage to the carrier and note on the BOL.
- e. **Machine Placement:** Uncrate and place the equipment in the proper location before startup. Provide and connect all necessary utilities to the equipment at the desired location.
- f. **Power:** Power plugs are not included with the machine and are not provided by PPG, as each location may have unique outlets.
- g. **Compressed Air:** Ensure that compressed air is available, if applicable. Please refer to the machine specifications.
- h. **Assistance During Installation:** Provide mechanical and electrical assistance to the installation technician.
- i. **Post-Setup Adjustments:** After the initial setup and training of a machine, further fine-tuning may be required. Pressure, temperature settings, and dwell time (for intermittent motion) may need to be altered as the machine settles in.
- j. **Remote Assistance:** It is the customer's responsibility to take and receive direction from trained PPG staff via telephone or Facetime to resolve any issues. If a revisit is needed due to refusal of remote help, PPG will bill for the appropriate time (e.g., if the issues are resolved without the technician using their toolbox)

4. LIMITED WARRANTY

The warranty described herein shall be IN LIEU OF all other warranties, express or implied, including any implied warranty of MERCHANTABILITY or fitness for a particular purpose.

- a. Brand new machinery carries only the manufacturer's warranty.
- b. PPG assumes no responsibility for the quality of performance of wrapping materials, bags, containers, labels, glues, or other materials purchased from third parties for use with PPG's machinery or equipment.
- c. Customer understands and acknowledges that misuse of equipment and/or use of materials not recommended by PPG with the equipment purchased from and/or repaired by PPG may affect machine performance and void any warranties.
- d. The machinery sold by PPG is warranted to be free from defects in material and workmanship for 6 months from the date the equipment is delivered to the customer site or as otherwise stated in the applicable sales quotation. All parts proving defective during this period, based on PPG examination, will be repaired, or replaced free of charge within a reasonable time; provided that this warranty shall not apply if the equipment has not been operated and maintained in accordance with PPG's instructions, including any written instructions provided by PPG.
- e. This warranty does not apply to wearable or disposable items, including but not limited to heating elements, cutting knives and brake/clutch surfaces. These items are the Customer's responsibility to repair and/or replace unless stated elsewhere.

- f. PPG sells refurbished machines with new parts or used parts that are in good working order to operate the machine. All parts of our refurbished machine are deemed fit. The machine will be sold in an “As Is” condition.
- g. Standard warranty of a refurbished machine applies to parts only for 6 months, with an optional extension available for up to 12 months at an additional fee. The warranty covers faulty parts on the machine, but it does not include wear and tear and breakdown due to user error or misuse. When repairing refurbished machines, PPG may use new or used parts to restore the machine to good working order.
- h. Once the machine is delivered, the ownership of the machinery is transferred to the customer. The warranty and installation costs in the initial installation / set up by PPG do not cover retraining or customers’ inability to operate the machinery or needed adjustments on the machinery. PPG will support retraining and adjustments and charge the customer a normal hourly rate. This can be defined in some cases as the technician not using tools to make adjust on the machinery.

5. LIMITATION OF LIABILITY

- a. Customer acknowledges and agrees that in no event shall PPG have any liability for damages more than the amount received by PPG for the goods in respect of which claim is made.
- b. The customer further acknowledges and agrees that in no event shall PPG have any liability for loss of use, loss of profits or for any indirect, incidental, or consequential damage of any kind or nature whatsoever, whether such damages were foreseeable.
- c. Customer understands and acknowledges that PPG has no knowledge of Customer’s business needs, pending orders or Customer’s representations to its customers regarding future timing and quantity of fulfillment of orders.
- d. Please note the speed outlined on any machinery quote is subject to the performance of films, trays and machinery working together. These are cycles speeds and are quoted as ‘up to speeds’ in many cases we can’t control the environment away from the machinery, speeds can be subject to change.

6. CANCELTION

- a. **Cancellation Notice:** Customers may cancel all or any portion of their order by providing written notice to PPG no later than **5 days** after the acknowledgment of the order is received or receipt of deposit, whichever is first.
- b. **Late Cancellations:** If the cancellation notice is provided after the 5 days from the receipt of acknowledgment of order and/or deposit, whichever is first, the customer shall forfeit **sixty percent (60%)** of the initial deposit upon such cancellation.
- c. **Additional Costs:** If 60% of the deposit does not cover PPG’s full costs (including burden and overhead) incurred up to the date of cancellation, PPG reserves the right to retain up to the full amount of the remaining percentage of the deposit to cover those costs.
- d. **Cancellations After 30 Days:** If the cancellation occurs more than 30 days after the Sales Order date, 100% of the initial deposit will be retained by PPG.
- e. **Payment for Completed Goods:** The customer agrees to pay PPG the contract price for completed goods.

7. INSURANCE - TITLE - RISK OF LOSS - INSURANCE - ASSIGNMENT

- a. Delivery of the goods to Customer or a carrier arranged by Customer shall constitute transfer of risk of loss.
- b. Title to the goods shall remain with PPG as the sole owner and PPG shall be named primary loss payee until the full purchase price is paid.

- c. Customer is solely responsible for obtaining liability coverage for the goods once title passes to Customer.
- d. Customer shall provide PPG a certificate of insurance evidencing coverage of the goods prior to delivery to Customer or its carrier if requested by PPG.
- e. Customer is solely responsible for providing liability coverage for its employees and contractors who use the goods, including insurance to cover bodily injury or death, and products liability insurance for the products Customer sells.

8. COMPLETE CONTRACT

- a. This contract is the final, complete, and exclusive statement of the agreement between PPG and Customer and supersedes all prior or contemporaneous oral or written contracts, agreements, arrangements, and understandings with respect to the subject matter hereof.
- b. No terms, conditions, understandings, usage of the trade, courses or dealing, or agreements purporting to modify, vary, explain, or supplement this contract will be binding unless and until hereinafter made in writing and signed by PPG and Customer.

9. GOVERNING LAW

- a. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, as if performed within that state and without giving effect to its conflict of laws principles, including the commercial code thereof.
- b. PPG and Customer further agree that any action, claim or proceeding under this Agreement shall be commenced exclusively in the courts of the State of California or the federal courts of the United States of America located in the County of Los Angeles.
- c. PPG and the Customer expressly waives any objection it may have to the exclusive jurisdiction and venue of such courts.
- d. If any legal action is necessary to enforce or interpret this Agreement, the prevailing party will be entitled to reasonable attorney's fees and costs, including costs of experts. However, prior to the initiation of legal action pursuant to this paragraph 9, the parties shall submit any dispute involving an amount in controversy of more than \$10,000 to nonbinding mediation with either ADR, Inc. or Alternative Resolution Center, Inc., or if neither is available, then to an equivalent alternative.
- e. Either party may initiate mediation by submitting to the other a list of five (5) retired superior court judges as proposed mediators. The party receiving said notice shall strike three of the names, and the party giving notice shall then select from the remaining two.
- f. The cost of mediation shall be shared equally between PPG and Customer. For all matters involving an amount in controversy of less than \$10,000, mediation shall be the option of the parties, which shall otherwise pursue legal action in the Los Angeles County Small Claims Court.

10. ASSIGNMENT

Neither Customer nor PPG shall assign this contract without prior written consent of the other.

THE PLATINUM PACKAGING GROUP

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