

THE PLATINUM PACKAGING GROUP

PLAT*Machinery*

TERMS AND CONDITIONS OF SALE (Supplies)

Dear Customer,

Thank you for your recent order with the PLATINUM PACKAGING GROUP (PPG) we appreciate your business.

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. SPECIFICATIONS:** The specifications shown on the front of this form, together with any references thereon to specifications, shall govern this sale. To the extent that parameters are not specified, then PPG, standard product specifications and/or practices shall apply. Unless stated otherwise, where material thickness is referred to, it describes thickness of tray material or film thickness (gauge) used before forming or converting, are not necessarily the material thickness measured on the final part. Customer is urged to consult directly with the manufacturer of the machine, tray, film, or other material used in the process to optimize the use of all materials employed by Customer in its operation.
- 2. PRINTED FILM ORDER LEAD TIMES:** For repeat and forecasted SKUs standard order lead times of four to six (4, 6) weeks from receipt of customer PO until goods are shipped. For new SKU orders, six to eight (6 /8) weeks from the date graphics are approved and signed off, until goods are shipped. On printed material the lead time starts at the time of Signed Art not placement of PO. Lead time can vary based on supply chain challenges and circumstances outside our control. Rush charges are applicable and order time subject to approval for requests of shorter than standard lead times. For non-forecasted SKUs, custom material procurement at longer lead times may be needed, in which case lead times can and will be extended.
- 3. SUPPLY ORDER LEAD TIMES:** Lead time can vary based on supply chain challenges and circumstances outside our control. Rush charges are applicable and order time subject to approval for requests of shorter than standard lead times. For non-forecasted products, custom material procurement at longer lead times may be needed, in which case lead times can and will be extended.
- 4. CANCELLATION:** Customer may cancel all or any of the goods it has ordered by written notice to the PPG at least 15 days prior to the acknowledged shipping date. If applicable, the customer is responsible for the cost of returning freight. If film is custom cut to size or printed and the products are not sellable to other clients, then the customer will be responsible for all costs bared by PPG.

5. MATERIAL: Material for the product and/or service specified herein, once ordered, is for the customer's account and is not cancelable except by mutual agreement. When requested by customer, PPG will certify as to the approval of the material by the FDA for food or medical application. Such certification may be a blanket one for all products supplied to a single customer. In the absence of such certification, materials may still meet FDA requirements, but compliance is not guaranteed. PPG shall not be liable for any incomplete or inaccurate information published by the FDA or any other state or federal government agency.

6. FITNESS FOR USE: We encourage the customer to sample before purchasing to find fitness for use. Regarding laser perforated film, respiration rates can vary depending on the handling, holding temperatures and environment customer will package in. We CANNOT be held responsible for these factors. These factors can affect the actual performance of the product we provide. This may also relate to film or a tray (or any PPG product) performing correctly. PPG can recommend a suitable film or tray; however, we cannot control customer's working environment or other factors. A recommendation by PPG is not to be construed as a warranty of fitness by PPG of any product for a particular use. Customer assumes all responsibility for the product performing in any application.

7. ITEM CASE PACKS AND ROLL WEIGHTS: The number of trays, cups, and lids in each case pack may vary from what was originally quoted or listed on the sales order. However, the case price will be adjusted to ensure the price per unit remains the same. While the footage per roll remains consistent, the weights per roll are approximate and subject to variation.

8. QUANTITY TOLERANCES AGREED.

a. Clear or printed films the +/- % are as follows.

Under 499# lbs. +/- 35%	500 lbs. to 999 lbs. +/- 30%
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1000 lbs. to 4999 lbs. +/- 25%	5000 lbs. and over +/- 15%
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b. Platport Line – Dollies, Baskets, and Bags there is a 10% +/- tolerance.

c. Printed Foil lidding volumes from

100M to 250m lids +/- 30-40%	250m lids or more +/- 20%
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d. All other products there is a 10% +/- tolerance.

9. PRINT PLATES: All print plates are subject to sales tax, no exceptions.

10. ALTERATIONS TO GRAPHICS: Plate/engraving approximate costs are outlined in the customer quotation. A P.O. for artwork and graphic items is required prior to commencing work. PPG will invoice the customer for artwork charges when graphics work is completed and are payable in accordance with standard payment terms. Alterations to graphics provided, or modifications to graphics after final art approval are subject to billing at a rate of \$110 per hour. All revisions to art, plates and cylinders will be quoted and submitted for customer approval prior to commencing with order

11. PRINTED PRODUCT QUANTITIES: Sometimes film sizes cannot be combo-ed. As a result, there may be adjustments made to the quantities produced. This can and will be more or less than the quantity that was ordered.

- 12. PRINTED PRODUCTS:** Please note that colors generated on acetate proofs and PDFs can vary by 5-10% in color compared to what is shown on ink drawdowns and or a PMS book. If bypassing ink drawdowns, we advise a press check to monitor and approve color. If bypassing ink drawdowns and press check, PPG will print to our PMS color book knowing that colors vary from book to book. **COLOR PROOFS:** Due to differences in equipment, inks and other factors involved in color proofing and production pressroom operations, PPG is not responsible for minor color variations within an industry standard tolerance of L*A*B* (CIELAB) Delta E difference of 2.00. If printed film is supplied by PPG and the Customer rejects said printed film based on quality of the product, PPG will replace the material free of charge ONLY if after having the opportunity to investigate the claim and inspect the material and PPG agrees that the quality of the product is not as specified. If Customer and PPG do not agree and are unable to reach a mutually acceptable compromise, the parties shall mediate any dispute where the amount in controversy is more than \$10,000.
- 13. ARTWORK:** When signing artwork proofs, YOU the customer, agrees to the content; UPC; Colors Utilized; Placement; Impression Size; Eyespot Location; Unwind Direction; and Additional Features Locations (Press to close zipper, tear notch, etc.). PPG is not liable for any errors or omissions not noted on the proofs. We repeat, it is the customer's responsibility to check art proofs.
- 14. DELIVERY:** The ship date shown is our best estimate but may be subject to change due to unforeseen circumstances/supply chain challenges beyond our control.
- 15. LIMITED WARRANTY; LIMITATION OF LIABILITY:** PPG warrants that, to the best of its knowledge, all products provided hereunder are produced using good manufacturing practices within the industry. PPG, Inc.'s obligation under this warranty shall be limited to replacement of parts found to be defective, or at PPG, Inc.'s choice, a credit issued equivalent to their value. PPG, Inc. makes no warranty as to merchantability or fitness of purpose. PPG is in no way responsible for incidental or consequential damage caused by the use or misuse of its products. Please note that all films may be sensitive to elevated temperature exposure and direct contact to sunlight. We strongly suggest the customer store it in an ambient, dry environment away from direct sunlight. When using racking systems try to store in low height racks to minimize temperature exposure. Temperatures ideally should be less than 80° F. Sealant layers can block and soften in such extreme temperatures. A characteristic of this is the film making excessive noise when unwinding (Scotch tape like adhesion). PPG will not be held liable for such loss of product.
- 16. TERMS AND CONDITIONS:** The warranties described in this Section 13 shall be IN LIEU OF all other warranties, express or implied, including but not limited to, any implied warranty of MERCHANTABILITY or fitness for a particular purpose. The 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. 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. Customer understands and acknowledges that PPG has no knowledge of Customer's business needs, pending orders or Customer's representations to its customers on future timing and quantity of fulfillment of orders. Customer acknowledges and agrees that its sole recourse for any product received in which manufacturing defects are asserted rests solely with the manufacturer and not PPG except only to the extent of defects directly caused by any alteration of the product by PPG before shipment. In such an event the liability of PPG shall be limited to a monetary amount as in Section 13. Claims for shortages must be submitted in writing within ten (10) days after receipt of shipment. All other claims must be presented in writing within thirty (30) days after receipt.
- 17. CONSUMPTION / USAGE OF CLEAR AND PRINTED FILMS:** Each film has somewhat of a shelf life. Warehousing environment can have adverse effects on film. Please note this can affect eligibility for the return of film. Adhesives and laminates can over cure over a period. This in turn can affect the performance of the film. Store the film in an area not exposed to more than 80° F. Avoid direct contact with direct sunlight. Consume / use the film in 6-9 months maximum time of your delivery. Film may not be eligible for return if request is past the 6-9 months from delivery depending on the film type.

- 18. RETURNS:** All sales are final. PPG has no obligation to accept the return of unused or damaged goods except by mutual agreement. PPG management can make exceptions with stocked items with a 20% restocking fee plus return freight. These must be stocked or sellable stocked items. If films are to be returned it may be necessary to share the slitting fees and or trim waste to re-sell the returned item. If a customer states poor performance of the film, our procedure is to retest the film. Please note it is mandatory for PPG to retest the film prior to film return approval. All machine parts are susceptible to a 20% restocking fee plus freight back if a stocked item and the manufacturer accepts a return. For machinery, PPG is not obligated to accept returns, however on a case-by-case basis, we may consider a return with a 20% restocking fee plus return freight.
- 19. UNIQUE SIZED FILMS:** Please note that if the film purchased is unique and not stocked width then the customer will have to pay slitting fees to convert the film into a sellable size. Cost of slitting and scrap will apply and be invoiced in addition to the restocking fees as mentioned In Section 18.
- 20. COMPLETE CONTRACT:** 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. 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.
- 21. COPYRIGHT AND TRADEMARK:** The Customer is responsible for ensuring that all materials supplied to PPG for reproduction do not violate copyright or trade-mark restrictions. PPG assumes no liability whatsoever for the Customer's use or misuse of copyrighted or trademarked materials.
- 22. GOVERNING LAW; ASSIGNMENT:** California Commercial Code and laws of the State of California shall govern. 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. 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. PPG and Customer expressly waives any objection it may have to the exclusive jurisdiction and venue of such courts. If any legal action is necessary to enforce or interpret this Agreement, the prevailing party will be entitled to actual attorney's fees incurred and costs, including costs of experts. However, prior to the initiation of legal action pursuant to this paragraph 12, the parties shall submit any dispute involving an amount in controversy of more than \$10,000 to nonbinding mediation with a suitable Resolution Center / organization, or if neither is available, then to an equivalent alternative 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. The cost of mediation shall be shared equally between PPG and Customer. For all matters involving an amount in controversy of less than \$5,000 the parties hereto agree to pursue legal action in the Los Angeles County Small Claims Court.
- 23. INDEMNIFICATION:** The Customer shall indemnify and hold harmless PPG from all loss, cost, expense and damages on account of any manner of claims, demands, actions and proceedings that may be instituted against PPG on grounds alleging that the said printing directly or indirectly violates any copyright or any trademark proprietary rights. In no event shall PPG's liability for defective packaging products supplied to Customer exceed Customer's price for such packaging paid to PPG.
- 24. ASSIGNMENT:** Neither Customer nor PPG shall assign this contract without prior written consent of the other.

THE PLATINUM PACKAGING GROUP

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