

## TERMS AND CONDITIONS OF PURCHASE

1. **CONTRACT:** This purchase order, together with any documents expressly incorporated herein by reference, constitutes the entire agreement between the parties. No modification of or addition to this purchase order shall be affected by any acknowledgment form or other documents submitted by Seller containing additional or different terms or conditions. Neither party shall claim any modification, amendment, or release from any of the terms or conditions contained herein except by mutual agreement to that effect, signed by Seller and authorized representative of Toyo Ink America, LLC. (hereby "TIA").
2. **TAXES:** Unless expressly provided on the reverse side hereof, all taxes on the production, delivery, or sale of the product shall be paid by Seller.
3. **LOWER COMPETITIVE PRICE:** If TIA determines that a product of comparable quantity and quality is available at a lower price than provided herein, TIA shall notify Seller of such lower price prior to shipment and Seller shall then elect to supply the product at such lower price or permit TIA purchase the product elsewhere. The quantity so purchased shall be deducted from this agreement. If Seller's price for the product to any customer in the applicable market area falls below the price herein, TIA shall receive the benefit of such lower price.
4. **FORCE MAJEURE:** Neither party shall be liable for failure to delay in the shipment of acceptance of the product if prevented by the occurrence of a contingency the nonoccurrence of which was a basic assumption on which this agreement was made or by compliance in good faith with any applicable governmental regulation, whether valid or invalid. In such an event, TIA may require Seller to allocate his available supply of product to TIA on a nondiscriminatory basis with other customers of Seller. At the option of TIA any quantity not shipped as scheduled shall be deducted from the total quantity purchased by TIA or rescheduled for late delivery
5. **WARRANTY:** Seller warrants that the product will be merchantable, be free from all defects of material and workmanship and conform to the description that Seller will convey good title hereto; that the product will be delivered free from any security interest or other lien or encumbrance. If the product is made according to Seller's design, Seller warrants that the product will be fit for the purpose intended by TIA. Seller shall be liable for all damages resulting from a breach of any of the warranties or any other term or condition of this agreement, including TIA owned material which are on Seller's premises for further processing or storage.
6. **PATENTS:** Seller shall indemnify and save TIA harmless from any liability, loss, damage, judgment or including costs and expense, arising out of any claims or suits for infringement of patents purporting to cover the product for its normal intended use. Seller shall at its own expense defend TIA in such claims or suits provided TIA shall give Seller prompt notice in writing of such claims or suits and shall supply at Seller's expense all needed information,
7. **INSPECTION:** This product is subject to TIA's inspection and approval within a reasonable time after delivery, TIA, without prejudice to any other rights or remedies shall have the right to reject defective product and, at Seller's expense, return it to Seller or dispose of it according to Seller's instructions.
8. **COMPLIANCE WITH LAWS:** Seller shall comply with all federal, state, and local laws and regulations applicable to the production, sale, and delivery of the product. Seller certifies that the product is produced in compliance with Fair Labor Standards Act of 1938, the President's Executive Order 11246, Section 202, relating to Equal Employment Opportunity Section 503 of the Rehabilitation Act of 1973 and Section 402 of the Viet Nam Era Veterans Readjustment Assistance Act and with the Williams-Steiger Occupational Safety and Health Act of 1970, and all regulations and amendments to any of these laws.
9. **APPLICABLE LAW:** This agreement shall be interpreted and governed according to the laws of the State of Illinois.

## CONDITIONS OF SALE

All orders are accepted, and all sales are made subject to the provisions the express written agreement between us under which the order is placed (said express written agreement, the "Order") and the following provisions, which are incorporated in and modify said Order by reference. To the extent these Conditions of Sale are inconsistent with and/or more restrictive than the Order, these Conditions of Sale shall control absent an express written agreement to the contrary signed on behalf of TIA by its President or his designee:

1. **EXAMINATION SUITABILITY CLAIMS:** you should examine and test each shipment promptly on arrival and before any part of the goods (except for reasonable test quantities), has been changed from its original condition. We recognize no claims for any cause after the goods have been treated, processed, or changed in any manner (except for reasonable test quantities). You are responsible to determine whether the goods are suitable for your contemplated use, whether such use is known to us. All claims of which we are not notified in writing within the earlier of 30 days after arrival of goods at destination, or any longer warranty period expressly provided below, except claims for breach of the Fair Labor Standards Act and patent warranties, are waived.
2. **FREIGHT:** if we are to pay freight, we have the right initially to designate routing and means of transportation, and if you require a more expensive routing and/or means, you will pay any extra cost involved. All shipments are shipped F.O.B., point of shipping. All shipping charges are collected and all claims for damage or loss in transit must be made by you direct to the carrier.
3. **WARRANTIES:** A. We warrant only that (i) the goods will conform to express specifications and quantities in the Order at delivery, (ii) the goods covered by the order will be free of manufacturing defects at delivery and for 30 days thereafter, (iii) in the production of the goods identified in the Order, there has and will have been no violation by us of Section 6, 7, or 12 (as amended) of the Fair Labor Standards Act of 1938 or of any order of their Administrator issued under Section 14 of said Act and that we know of no such Violation by others in connection with the production of said goods; and (iv) said goods will not in themselves infringe any United States patent. We assume no obligation in regard to patent infringement resulting from the use of said goods in combination with other material or in the operation of any process. Liability under this warranty is conditioned upon your giving us prompt written notice of any claim of patent infringement made against you and granting us exclusive control of its settlement and or litigation. We may discontinue delivery of said goods if, in our opinion their manufacture, sale or use would constitute patent infringement.

**THERE ARE NO WARRANTIES, CONDITIONS OR REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, WHICH EXTEND BEYOND THE EXPRESS TERMS SET FORTH IN 3.A. ABOVE, INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, THAT ANY PRODUCT WILL ACHIEVE SPECIFIC RESULTS OR WILL MEET YOUR NEEDS OR REQUIREMENTS, AND WARRANTIES OF RESULTS OR PERFORMANCE.**

4. **LIABILITY:** You shall have the following exclusive remedy against us in substitution all other remedies provided by law in the event that said goods (exclusive of goods purchased by us from others and resold as such) are non-conforming or in the event of delay in shipment or non-shipment of said goods or any portion thereof: The right (a) to repayment, or if not paid, to credit of the purchase price; (b) to replacement of said goods; it being understood that our maximum monetary liability on account of nonconforming goods, delay, failure to ship or from any other cause, like or unlike, shall be refunded if paid, otherwise to credit to you, the purchase price of that portion of the said goods which is subject to the conditions or cause on which claim is based. **WE SHALL IN NO EVENT BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, CONSEQUENTIAL OR PENAL DAMAGES WHETHER FOR CONFORMING OR NONCONFORMING GOODS.**

**IN THE EVENT OF A THIRD-PARTY CLAIM AGAINST YOU RELATED TO THE GOODS OR ANY SERVICES PROVIDED PURSUANT TO THIS CONTRACT, WHETHER IN TORT, CONTRACT OR ANY OTHER THEORY, ANY OBLIGATION OF TIA TO INDEMNIFY YOU OR YOUR AFFILIATES SHALL BE NO GREATER THAN AS PROVIDED HEREIN AND REQUIRED BY LAW; THE DAMAGES PURSUANT TO ANY SUCH LIABILITY SHALL BE LIMITED TO THE COVERAGE OF TIA'S APPLICABLE NSURANCE POLICY LIMITS (WHICH HAVE BEEN DISCLOSED IN CONJUNCTION WITH THIS SALE).**

5. **ADVICES:** Any technical advice furnished you before or after delivery in regard to your processes or equipment or the use of said goods which is furnished without charge is furnished on the basis that it represents our best judgment under the circumstances but that it is used at your sole risk.
6. **CREDIT:** Our terms of payment are our regular terms or those specifically quoted to you. If you fail to fulfill these terms or if we at anytime have any doubt as to your financial responsibility, we may decline to make further deliveries except against cash or satisfactory security.
7. **RETURNS:** No claims will recognized in regard to goods disposed or returned without our consent. **ALL RETURNS REQUIRE AN RGA AND ARE SUBJECT TO A 20% RESTOCKING FEE.**
8. **OVERAGES and UNDERAGES-** Overages and underages shall be in accordance with current price lists.
9. **PRINTING:** You agree to hold us and our distributors harmless from and indemnify us against costs, loss, or damage, including indirect, consequential or penal damages, resulting from claims arising out of anything printed on such goods, including claims arising out of the of the UPC symbol and any claim of trademark or copyright infringement excluding our trademarks or copyrights.
10. **PRICES:** The goods identified on the invoice of may be billed at the price in effect on the date of shipment.
11. **TAXES:** You will pay or reimburse us for all taxes, excises, or other charges which we may be required to pay to any government (national, state, or local) upon, or measured by the production, storage, sale, transportation and/or use the goods identified on the invoice.
12. **VIS MAJOR:** TIA is not liable delay in performance or nonperformance from any cause beyond TIA's reasonable control including, without limitation: labor trouble, weather, shortage, or inability to obtain materials, equipment or transportation, or orders of courts or agencies. Either party may eliminate quantities affected by such problems from the Order, which Shall then remain in effect as to the remaining goods or services. If our supply of goods to be sold hereunder is limited by any such cause, we reserve the right to prorate our available supply over our own manufacturing requirements and our commitments to our customers as we consider fair.
13. **MISCELLANEOUS:** Our contract in regard to goods identified in the Order consists in its entirety of the terms and conditions appearing on the invoice excluding all usages of trade and all terms and conditions delivered with or concerning your order. No changes or additions to this contract shall be of any effect unless contained in writing signed by the party claimed to be bound thereby, no changes or additions shall be affected by the return to you, signed or unsigned, of tear-off or other forms attached to or accompanying your order which you require us to return. No written or oral understandings, representations or warranties predating the Order shall be of any effect, nor shall any written or oral communication to you pre-dating the full execution of the Order be deemed an acceptance of your order or to impose contractual obligations on us. The laws of the State of Illinois govern all interpretation and effect hereof. Any action related to the Order, its or breach, or products or services provided hereunder shall be filed and prosecuted only in the Circuit Court of DuPage County, Illinois, or the U.S. District Court for the Northern District of Illinois. TIA shall be entitled to recover its expenses of collection, including reasonable attorney's fees, in any action to enforce this agreement. This contract is not assignable or transferable voluntarily or by operation of law. The invoice or acknowledgement date hereon is to be effective date of this contract.