

THE
PLATINUM PACKAGING
GROUP

THANK YOU FOR YOUR RECENT ORDER WITH THE PLATINUM PACKAGING GROUP (PPG)
WE APPRECIATE YOUR BUSINESS

TERMS AND CONDITIONS OF SALE (MACHINERY/EQUIPMENT)

Please review your attached order confirmation.

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

1. PAYMENT TERMS

The payment terms for machinery are noted on the Sales Order confirmation. These can and will be different than regular payment terms for Customer account. No discounts are applicable to machine sale unless noted on the Sales Order.

2. SHIP DATE

We estimate our ship date to be 8 to 10 weeks from date of receipt of your (Customer) formal order and signed original of this proposal. To enter Customer's order, we require receipt of all items noted in PAYMENT TERMS above. Any delay in receipt or negotiation of good funds shall cause Customer's ship date to be delayed by an equal number of days. PPG's estimated ship date is based on current production schedules and is subject to change at the time Customer's order is placed. Upon completion of the machine, please allow 2-3 business days for testing. Please note that if any challenges arise during the testing phase, the shipment date will likely be postponed. PPG's project manager will advise if there is a delay.

3. TRAINING

Up to hours of Customer training is conducted free-of-charge at PPG's factory as part of the machine acceptance demonstration. Training and Installation is also available at the Customer's location at an extra charge, either through PPG Factory Service Technicians or through Factory Trained PPG distributor technicians. PPG strongly encourages Customer training as a matter of safety and to improve performance of your staff utilizing the machine.

4. CUSTOMER'S RESPONSIBILITY

- ü Arrange for safe unloading of the shipment once it arrives at your location.
- ü Check for damage to the shipment upon arrival and promptly report any damage to the carrier, but in any event not more than forty-eight (48) hours after the arrival of the shipment.
- ü Uncrate and locate equipment prior to start-up.
- ü Provide and connect all utilities to the equipment at the desired location.
- ü Provide mechanical and electrical assistance to the installing technician.
- ü Power plug; this is not provided by PPG as each location may have unique outlets.
- ü Compressed Air; If applicable.

5. LIMITED WARRANTY

The warranty described herein shall be IN LIEU OF any and all other warranties, express or implied, including but not limited to, any implied warranty of MERCHANTABILITY or fitness for a particular purpose.

a. Goods not manufactured by PPG CARRY 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 goods. 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 possibly void any warranties.

c. The machinery manufactured by PPG is warranted to be free from defects in material, workmanship for a period of 6-months from the date the equipment is shipped 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. This warranty does not apply to wearable or disposable items, including, but not limited to heating elements, cutting knives and brake/clutch surfaces which shall be Customer's responsibility to repair and/or replace unless expressly stated elsewhere.

6. LIMITATION OF LIABILITY

Customer acknowledges and agrees that in no event shall PPG have any liability for damages in excess of the amount received by PPG for the goods in respect of which claim is made, and 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 damages of any kind or nature whatsoever, whether or not 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 regarding future timing and quantity of fulfillment of orders.

7. CANCELLATION

Customer may cancel all or any of the goods it has ordered by written notice to the PPG at least 60 days prior to the acknowledged shipping date; provided that Customer shall forfeit sixty percent (60%) of its deposit upon such cancellation. To the extent that 60% of the deposit does not cover PPG's full costs (including burden and overhead) through the date of cancellation PPG has the right to retain up to the full amount of the remaining 40% of the deposit to cover those costs.

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

Delivery of the goods to Customer or a carrier arranged by Customer shall constitute transfer of risk of loss. 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. Customer is solely responsible for obtaining liability coverage for the goods once title passes to Customer. 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. 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.

9. 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.

10. GOVERNING LAW

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 wholly 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. Each of 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 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 a reasonably 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 less than \$10,000, mediation shall be at the option of the parties, which shall otherwise pursue legal action in the Los Angeles County Small Claims Court.

11. ASSIGNMENT

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