

## **Bemis Manufacturing Company Standard Terms and Conditions of Purchase**

### **1. Acceptance of Terms**

These Terms and Conditions apply to Bemis Manufacturing Company and any Bemis subsidiaries or affiliates (collectively, "Bemis") purchase of products or services from Seller. These Terms and Conditions constitute the complete and exclusive agreement between the parties, and any additional or conflicting terms and conditions, whether written or verbal, are expressly rejected. Bemis's acceptance of the products or services from Seller is conditioned on Seller's assent to these Terms and Conditions. Seller irrevocably accepts these Terms and Conditions upon accepting Bemis's order for the products or services, shipping the products or services to Bemis, or accepting payment for the goods or services from Bemis. These Terms and Conditions will be governed by the laws of the State of Wisconsin.

### **2. Orders, Changes, and Cancellation**

Seller is deemed to have accepted Bemis's order if (i) Seller's written rejection of such order is not received by Bemis within five business days of Seller's receipt of the order, or (ii) prior to the expiration of the five day period, Seller commences work on or ships any portion of products identified in the order. Bemis may cancel any order or any part of an order without cause prior to the products being shipped or services provided. Bemis may, at any time before the products are shipped or services performed, notify Seller in writing of changes to quantities, specifications, statements of work, place of delivery, time of delivery, method of delivery, and packaging. If a change requested by Bemis will cause an increase or decrease in price, Seller shall provide written support for the price increase or decrease within 10 business days of receiving notice of the change request from Bemis. Bemis is not bound by Seller's proposed price change unless Bemis accepts the price change in writing.

### **3. Price**

Seller shall provide 60 days advanced written notice of price changes. Orders for products or services that do not specify a price will be billed at the lower of the price last quoted or paid for the same products or services, or at the prevailing market price. Price reductions implemented after an order is placed but prior to shipment shall apply to the order. Price increases implemented after an order is placed but prior to shipment shall not be applied without Bemis's written consent.

Unless the purchase is subject to sales and/or use taxes as indicated on Bemis's purchase order, prices shall not include sales, use, excise, or similar state or local taxes. Where such taxes are applicable, they shall be shown separately on Seller's invoice.

### **4. Payment**

Unless otherwise agreed to by the Parties, Bemis will provide payment in full within SIXTY (60) DAYS, or apply a 2% discount if paid within ten (10) days, of the invoice date or the date the products or services are accepted by Bemis, whichever is later. Seller must include the purchase order number, part number, description, quantities, unit prices, and totals on all invoices. Bemis may offset any amount owed to Seller by amounts Bemis is owed by Seller.

### **5. Delivery**

Freight costs will be borne by Seller unless otherwise agreed to in writing. Seller shall ship the products according to Bemis's instructions, which may specify packaging materials, shipping documentation, labeling, customs declarations, and freight carrier. Shipments carried by Bemis's fleet shall not be transported using an alternative carrier unless authorized in writing by Bemis. Seller shall bear all costs associated with failing to adhere to Bemis's shipping instructions, including damage to products, delivery delays, and carrier fees.

Time is of the essence in Seller's delivery of products or services. Seller shall notify Bemis immediately if Seller determines that it cannot meet the specified delivery dates. If Seller does not provide the products or services within the specified timeframe or in the quantities stated on Bemis's purchase order, Bemis reserves the right to terminate the order with respect to the affected products or services. Seller shall be responsible for costs associated with its failure to provide the products or services in within the timeframe or in the quantities stated in the purchase order, including the cost of procuring substitute products or services from an alternative source and the cost of expedited freight.

Bemis's acceptance of any part of an order shall not bind Bemis to accept future shipments or performance of services nor deprive Bemis of the right to return goods already accepted and shall not be deemed to be a waiver of Bemis's right to cancel or return all or any products because of failure to conform to the purchase order or by reason of defects, latent or patent, or other breach of warranty, or to make any claim for damages, including manufacturing cost or loss of profits, injury to reputation or other special, consequential and incidental damages.

### **6. Acceptance**

Seller shall not substitute any products or services for those specified in Bemis's purchase order without Bemis's written consent. For products that have previously been accepted by Bemis, Seller shall not change the materials or components used in the manufacture of the products without providing at least thirty (30) days prior written notice to Bemis. Any products containing alternative components or materials may be rejected by Bemis as non-conforming. If Bemis rejects any products as non-conforming, Bemis may, at its option, (a) accept and pay for only the conforming products; (b) require Seller to replace the non-conforming products, and/or (c) exercise any other applicable rights or remedies.

Seller must provide Bemis with instructions regarding the disposition of nonconforming products within forty-eight (48) hours of receiving notice of Bemis's rejection. Seller bears the risk of loss for any non-conforming products that remain in Bemis's possession, and Seller will bear all costs incurred by Bemis to return, store, or dispose any non-conforming products. Bemis's payment for any non-conforming products will not constitute acceptance by Bemis, limit or impair Bemis's right to exercise any rights or remedies, or relieve Seller of responsibility for the nonconforming products.

### **7. Bailment of Bemis's Property**

All equipment, molds, dies, fixtures, inventory and any other property furnished to the Seller by Bemis, or specifically paid for by Bemis for use in providing the products or services, shall be and remain the property of Bemis, shall be subject to removal upon Bemis's instruction, shall be marked or tagged showing it is the property of Bemis, and shall be used only in providing the products or services to Bemis. Seller agrees to maintain and repair any Bemis equipment in Seller's possession at Seller's expense for as long as Bemis orders such products or services from Seller. Seller shall bear all risk of loss of Bemis property in Seller's possession, shall procure insurance coverage adequate to protect such property, and shall not dispose of Bemis's equipment without Bemis's prior written consent.

All drawings, blueprints, tracings, patterns, film, positives, tools and dies, and other items provided by Bemis or prepared by Seller and paid for by Bemis shall remain Bemis's property, and these items shall be delivered to Bemis upon termination of the Parties' relationship. No reproductions shall be retained except as authorized in writing by Bemis.

### **8. Warranty**

Seller represents and warrants: (1) prices for the products and/or services are no higher than Seller's current price to any other customer for the same quality and quantity of such products or services; (2) all products and services are produced and sold in compliance with all applicable federal, state, and local laws and regulations; (3) all products are new, unless otherwise specified, and free from defects in material and workmanship; (4) all products conform to applicable specifications, drawings, and standards of quality and performance, and are free from defects in design and suitable for their intended purpose; (5) the products are fit and safe for consumer use, if so intended; (6) all services performed will be free from defects in material and workmanship and will be performed in accordance with the specifications and instructions of Bemis, provided nevertheless that Seller retain discretion and control with respect to the manner and means of performing such services and shall at all times remain an independent contractor.

All the representations and warranties of Seller together with its service warrants and guarantees, if any, shall run to Bemis and Bemis's customers. Seller will, upon request, provide any written documentation or certifications required by Bemis to comply with applicable laws and regulations, including Safety Data Sheets (SDS), country of origin information, or other compliance verifications.

### **9. Indemnification and Insurance**

Seller agrees to release, defend, and indemnify Bemis (including its officers, directors, shareholders, agents, representatives, employees, successors and assigns) against, any and all loss, liability, claim, damage, cost and expense (including attorneys' fees), whether direct, indirect, incidental or consequential, resulting in, caused by, related to or arising out of or in connection with: (i) defects in the design of the Products, if Products are designed by Seller, including design defects related to safety, improper or inadequate warnings, labels, and instructions; (ii) infringement by the design of the Products on any third party's intellectual property rights, if Products are designed by Seller; (iii) Seller's possession and use of Bemis's property; (iv) Seller's failure to comply with any applicable law or regulation; (v) Seller's negligence or willful misconduct; (v) Seller's breach of these Terms and Conditions. Unless otherwise agreed to by the Parties, Seller shall maintain at least \$US 1,000,000 in general liability insurance naming Bemis as an additional insured.

### **10. Force Majeure**

Bemis shall not be responsible for any damage as a result of any delay due to any cause beyond Bemis's reasonable control, including, without limitation, any act of God, act of the Buyer, governmental act, regulation or request, fire, accident, strike, slow-down, war, riot, delay in transportation, or inability to obtain necessary labor, materials, or manufacturing facilities.

### **11. Assignment**

Seller shall not assign any order, or any other interest herein or subcontract the provision of any product or service, without the prior written consent of Bemis.

### **12. Recordkeeping**

Seller agrees to maintain all calibration, certification, and traceability records for a minimum of 10 years from the date on this purchase order. Seller will make records available to Bemis Manufacturing Company upon request at any time during the retention period regardless of whether Bemis Manufacturing Company is a current customer.

### **13. Notification Requirements**

Seller agrees to provide 90 days written notice of any: (i) change in manufacturing location; (ii) change in method of producing, processing, or testing; (iii) change in the composition or source of any raw material which would change the chemical identity of additives, process chemicals, or raw materials; (iv) change in supplier of raw materials or components