

**SPECIALIZED PACKAGING GROUP
TERMS AND CONDITIONS OF SALE**

1. **AGREEMENT.** The provisions in the applicable price quotation, order acknowledgement, order confirmation, or invoice (the "Documentation") and these terms and conditions constitute the entire agreement ("Agreement") between the recipient as Buyer (as identified in the Documentation) and the selling entity identified in the Documentation ("Seller"). Acceptance of this offer is expressly limited to these terms and conditions and any additional term and conditions in the Documentation. Any different terms or conditions in the Documentation or in Buyer's purchase order or in any other documents issued or provided by Buyer, and any purported modification or revision of this Agreement, whether written or oral, shall be deemed objected to by Seller without need of further notice of objection and shall be of no effect nor in any circumstances binding upon Seller unless expressly agreed to in a writing signed by an authorized representative or agent of Seller.
2. **PRICE.** Unless otherwise agreed to in a writing signed by an authorized representative of Seller, the price for the goods sold shall be the higher of Seller's price in effect for such goods on the date of shipment of such goods or the price for such goods reflected in the Documentation, and prices may be subject to additional conditions or charges in Seller's reasonable discretion. Except as expressly stated in the Documentation, prices quoted do not include freight, insurance, special packaging or sales, use, value added (GST, HST, QST), excise or similar taxes or duties. Notwithstanding any prior commitment as to price, Seller reserves the right to increase the price for the goods or services sold at any time during the term of this Agreement as necessary to cover any increase in costs incurred by Seller in connection with the goods supplied to Buyer.
3. **PAYMENT.** Buyer shall make payment for the goods within 30 days from the date of Seller's invoice unless otherwise set forth in the Documentation. All payments shall be made in the currency set out in the Documentation. If and when Seller deems itself insecure as to Buyer's ability to pay for all goods as specified in these terms and conditions, Seller may refuse delivery except for cash in advance or sight draft. If (a) a Buyer overpayment results in Seller recording unapplied cash or issuing a credit memo to Buyer for the amount of such overpayment and (b) Buyer does direct Seller to apply such unapplied cash or credit memo against future orders within one year following the date of the overpayment, then Seller may, in its sole discretion, write off such unapplied cash or credit memo with no notice or any further obligation to Buyer.
4. **WARRANTY, DISCLAIMER, LIMITATION OF LIABILITY AND REMEDY.** Except as to third-party products as described below, Seller warrants that its products, at the time of shipment, conform to the applicable descriptions set forth in the Documentation and are free from defects in material and workmanship. SELLER MAKES NO OTHER WARRANTY OR CONDITION, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY OF QUALITY, IN CONNECTION WITH THE SALE OR USE OF ANY SELLER PRODUCT, AND ALL SUCH WARRANTIES AND CONDITIONS ARE HEREBY EXPRESSLY DISCLAIMED AND EXCLUDED. Any claim made pursuant to the foregoing warranty must be in writing and received by Seller within fifteen (15) days of the discovery by Buyer of the defect giving rise to such claim and in any event must be received by Seller within 90 days of the date of shipment by Seller of the product claimed defective. Upon timely receipt of a claim, Seller shall have the option either to inspect the product while in Buyer's possession or to require Buyer to return, at Buyer's expense, the product to Seller's place of business for inspection. Claims not made in accordance with these terms and conditions will be barred. Seller shall not be liable for defects in products that have not been stored or used in accordance with Seller's recommended procedure or which have been modified in any manner. Seller shall, at its option, either replace the nonconforming or defective product which is the subject of a valid claim made in compliance with these terms and conditions or refund to Buyer its purchase price. The foregoing states Buyer's sole and exclusive remedy for any breach of warranty or condition.

All third-party products (including, without limitation, corrugated material) are sold on an "as-is" basis. SELLER MAKES NO WARRANTY OR CONDITION, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY OF QUALITY, IN CONNECTION WITH THE SALE OR USE OF ANY THIRD-PARTY PRODUCTS, AND ALL SUCH WARRANTIES AND CONDITIONS ARE HEREBY EXPRESSLY DISCLAIMED AND EXCLUDED.
5. **TITLE: RISK OF LOSS.** Except as set forth in the next sentence, title and risk of loss of the goods shall pass to Buyer upon the earliest occurrence of either of the following events: (1) Seller's delivery of the goods to the carrier of Seller's reasonable choice for shipment to Buyer, or (2) Seller's delivery of notice to Buyer that the goods are available for collection. If Seller has agreed in the Documentation to bear responsibility for shipping, then title and risk of loss of the goods shall pass to Buyer when the goods are delivered to the delivery location identified by Buyer.
6. **SHIPPING AND DELIVERY.** Unless otherwise set forth in the Documentation, Buyer shall bear the cost of shipping. Shipping dates represent Seller's best estimate, and the parties expressly agree that time of shipment is not of the essence. If Buyer desires goods to be shipped to a location different than Buyer's premises, Buyer must instruct Seller in writing as to the delivery location and all amounts that are due upon shipment are due and payable from Buyer irrespective of the point of delivery. Exact quantities cannot be guaranteed. Seller reserves the right to overrun or under-run not to exceed 10% of quantities ordered. Any claim by Buyer against Seller for shortage, overage, or damage occurring prior to such delivery must be made within five (5) days after receipt of shipment and accompanied by the original transportation bill signed by carrier certifying that carrier received material from Seller in the condition claimed.
7. **FORCE MAJEURE.** Seller shall not be liable for delays in delivery or failure to manufacture or deliver due, directly or indirectly, to: (1) any cause beyond its reasonable control; or (2) acts of God, acts of Buyer, acts of any civil or military authority, priorities or allocations, fires, labor disputes, earthquakes, floods or other weather conditions, accidents, epidemics, pandemics, wars, riots or other civil disturbance, delays in transportation or car shortages, or delays or defaults by Seller's suppliers or subcontractors or other inability to obtain necessary labor, fuel, materials, components or manufacturing facilities. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost as a result of the delay. Buyer's sole and exclusive remedy for any other delay or failure to manufacture, ship, deliver, repair or replace any product shall be limited to the return of the product subject to such unexcused delay and/or the recovery of any part of the invoice price of such products previously paid to Seller.
8. **PATENTS/EXCLUSION OF WARRANTIES.** All warranties against patent infringement, whether express, implied, or statutory, are excluded from this transaction and shall not apply to the goods sold; provided, however, Seller shall have no liability or responsibility with respect to any product supplied by or manufactured according to the specifications of Buyer infringing any Canadian, United States or foreign patent, and Buyer will indemnify and save Seller harmless from any such claim of infringement, including, without limitation, payment of Seller's attorneys' fees. Buyer shall promptly notify Seller if Buyer becomes aware that any product which Seller is quoting or offering for sale, or use thereof, infringes or possibly could infringe any patent. If any infringement or possible infringement exists, Seller reserves the absolute right to withdraw without liability any quotation and terminate any agreement previously agreed the sale of such products. Upon receipt of prompt written notice of any claim of infringement, Seller will, if in its judgment the claim is well founded, refund to Buyer the purchase price of the infringing products. Such refund shall be Buyer's sole and exclusive remedy and shall be deemed full and complete satisfaction of Seller's liability and responsibility to Buyer for such infringement or claimed infringement.
9. **LIMITATION OF LIABILITY.** Without limiting any other disclaimer or limitation of liability or remedy contained herein, Seller's total potential liability under any theory of recovery, including, without limitation, breach of contract or warranty, negligence, strict liability or tort, for any loss or damage arising out of, in connection with or resulting from this Agreement or from the performance, nonperformance or breach thereof, or from the sale, delivery, resale, repair, replacement or use of, or inability to use, any goods, products, services or advice covered by or furnished under or in connection with this Agreement, shall in no case exceed the purchase price actually paid by Buyer that is allocable to the good, product or service which gives rise to the claim. IN NO EVENT SHALL SELLER BE LIABLE FOR INJURY TO PERSON OR PROPERTY, LOSS OF BUSINESS OR PROFIT OR FOR ANY OTHER DIRECT, INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES.
10. **MODIFICATION AND CANCELLATION.** Except with Seller's written consent, orders cannot be cancelled or modified, or shipment delayed after acceptance of Buyer's order by Seller. Any such order cancellation or modification by Buyer will be subject to a cancellation fee, as determined by Seller, for any order volumes which Buyer chooses to cancel or reduce. Such order cancellations or modifications may also be subject to additional conditions, including, without limitation, indemnification and reimbursement of Seller against liability and expense incurred and commitments made by Seller in connection with such cancelled or modified order, and which will also include profit on work in process and contract value of products or parts completed and ready for shipment, if applicable.
11. **RETURNS.** No claims will be recognized for goods disposed of or returned without Seller's consent. In the event that Seller consents to the return of goods, there will be a restocking charge determined by Seller, and the returned goods must be returned with freight charges prepaid. Buyer shall not return goods to Seller unless and until Buyer has received written shipping instructions from Seller and no shipping costs on returns will be paid unless previously authorized in writing.
12. **TAXES.** All federal, state, provincial and local taxes imposed on the sale or use of any goods or the provision of any service shall be charged to and paid by Buyer.
13. **SETOFF.** Seller may setoff any unpaid obligations of Buyer and/or its affiliates to Seller and/or its affiliates against any obligations owed to Buyer from Seller and/or its affiliates, whether arising pursuant to this Agreement or any other agreement between Buyer and Seller and/or its affiliates.
14. **ADDITIONAL REMEDIES.** If Buyer fails to make payment of any invoice to Seller or if the financial or business condition or responsibility of Buyer shall become impaired or unsatisfactory to Seller, then Seller reserves the right to withhold delivery of all or part of the goods subject hereto, without prejudice to any other legal or equitable

remedy, until past due payments are made and satisfactory assurance of payment is received. Seller shall, in addition to the remedies set forth herein, be entitled to all rights and remedies provided for in applicable law, as from time to time amended, and at equity.

15. **GENERAL.** This Agreement shall be construed, and the rights, duties, liabilities and remedies of the parties shall be determined, in accordance with the laws of the province of Ontario and the federal laws of Canada applicable therein without giving effect to any choice or conflict of law provision or rule (whether of the province of Ontario or any other jurisdiction). The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement and the subject transactions and is hereby expressly disclaimed and waived by the parties. Failure of Seller to enforce or to require performance of any provision of this Agreement shall not constitute a waiver of such provision or of the right of Seller thereafter to enforce each and every provision of this Agreement. Any waiver of a condition made by Seller shall be deemed only a waiver of that condition and only at that specific instance and shall have no effect on that condition in other instances or on any other condition contained herein. Seller may recover from Buyer applicable costs and expenses, including but not limited to reasonable attorneys' fees, incurred in seeking enforcement of this Agreement. Buyer shall not assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of Seller. The relationship of the parties is that of independent contractors. If any term or provision of this Agreement is invalid, illegal or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement.
16. **RESIDENTS OF QUEBEC ONLY/ RÉSIDENTS DU QUÉBEC SEULEMENT.** The parties hereto acknowledge that a French version of this Agreement has been remitted to the Buyer, which French version the Buyer acknowledges having received and is available here [\[LINK\]](#). Following such remittance, the parties hereto agree to be bound solely by the English version of this Agreement, and that any notice, document or instrument relating to it may be drawn up in English only but without prejudice to any such notice, document or instrument which may from time to time be drawn up in French only or in both French and English. *Les parties aux présentes reconnaissent qu'une version française de la présente convention a été remise à l'acheteur, lequel reconnaît l'avoir reçue, et celle-ci peut être consultée en suivant l'hyperlien suivant : [\[LINK\]](#). Suite à une telle remise, les parties aux présentes conviennent d'être liées seulement par la version anglaise de la présente convention et que tous autres avis, actes ou documents s'y rattachant peuvent être rédigés en anglais seulement mais sans préjudice à tous tels avis, actes ou documents qui pourraient à l'occasion être rédigés en français seulement ou à la fois en anglais et en français.*