

TERMS AND CONDITIONS FOR COMMERCIAL SALES,
PACKAGE DEVELOPMENT CORPORATION

1. Offer Governing Provisions and Cancellation. The attached or enclosed document or quotation (i) is an offer or counteroffer by Package Development Corporation ("Seller") to sell the goods and/or services described in it in accordance with these terms and conditions of sale (these "Terms and Conditions"), (ii) is not an acceptance of any offer made by buyer, and (iii) is expressly conditioned upon assent to these Terms and Conditions. No additional or different terms or conditions will be binding upon Seller unless specifically agreed to in writing. Seller hereby objects to any such additional or different terms or conditions contained in any purchase order or other communication heretofore or hereafter received from buyer, and any such additional or different terms or conditions shall be considered to "materially alter," as that term is used in the Uniform Commercial Code, this offer or counteroffer. No accepted offer may be cancelled or altered by buyer except upon terms and conditions accepted by Seller in writing. An order for, or an acceptance of, the goods by buyer shall constitute a "definite and seasonable expression of acceptance" as that term is used in the Uniform Commercial Code. This document and these Terms and Conditions (collectively, this "Agreement") shall constitute a binding agreement and shall be the entire agreement between the parties on the subject of the transactions described in the Agreement. This offer may be revoked by Seller at any time before it is accepted by buyer and shall automatically expire sixty (60) days after its date if buyer has not accepted it before then. The parties agree that this is a commercial and not consumer agreement.
2. Prices. The prices stated herein are based on the quantities specified for delivery in a single lot unless otherwise indicated herein. All prices are quoted and payable in U.S. Dollars. All prices are subject to change upon notice and are subject to adjustment by Seller for any change made by buyer and approved by Seller in quantities, delivery or other terms hereof, and the price of goods on order but unshipped will be adjusted to the price in effect at the time of shipment.
3. Payment. Unless otherwise agreed by Seller in writing, payment terms are net thirty (30) days after shipment except when Seller requires payment in advance; provided, however, that payment of the full amount of any invoice shall become immediately due and payable in the event that any payment thereon is not made when due. All amounts due to Seller from buyer shall bear interest at the highest rate permitted by applicable law from and after the due date. Payments are to be made only at Seller's main office, unless otherwise agreed in writing. Buyer agrees to pay all costs, including attorneys' fees, arising in connection with the collection of late payments.
4. Taxes and Fees. Any tax, duty, custom, fee, interest or charge imposed by any governmental authority on or measured by the transaction between Seller and buyer shall be paid by buyer in addition to the prices quoted or invoiced. In the event Seller is required to pay any such tax, duty, custom, fee, interest or charge, buyer shall reimburse Seller therefor on demand.
5. Shipment, Risk of Loss and Title. Unless otherwise specified by buyer, Seller shall place the goods in the possession of such a carrier and make such a contract for their transportation as may be reasonable, having regard for the nature of the goods and good commercial standards. Regardless of shipping terms or freight payments, risk of loss of the goods shall pass to buyer at the time the goods are tendered for shipment. Title to the goods shall remain with Seller until payment in full is received by Seller. If title to the goods passes from buyer to Seller, Seller shall retain a perfectible security interest in the goods to the extent that the buyer has not made payment in full to Seller for the entire amount owed for the goods and for all applicable interest. Cancellation, modification, suspension or delay in shipment of buyer's order will not be accepted on terms that will not fully indemnify Seller against loss.

TERMS AND CONDITIONS FOR COMMERCIAL SALES,
PACKAGE DEVELOPMENT CORPORATION

6. Delivery- Packaging- Claims. Unless otherwise provided in this document, goods shall be delivered to buyer F.O.B. Seller's loading dock or, for ultimate destinations outside of the United States, EXW Seller's loading dock (as the latter shipping term is defined in Incoterms 2000). All goods will be packaged in stock boxes of Seller (food and medical grade parts will use cartons lined with a poly bag) in quantities determined by Seller and any expenses incurred by Seller for custom packaging required by buyer will be included in any invoice for the relevant goods. Buyer shall bear all expenses paid or incurred by Seller, including packaging costs, in delivering the goods. Shipments, deliveries and performances of work shall at all times be subject to the approval of Seller's credit department. Seller reserves the right to make delivery in installments, unless otherwise expressly stipulated herein; all such installments to be separately invoiced and paid for when due per invoice, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve buyer of its obligations to accept remaining deliveries. All delivery dates are approximate. All claims for shortage and other errors in delivery must be made in writing to Seller within fourteen (14) days after delivery of the goods with respect to which the claim is made, and failure to give such notice shall constitute unqualified acceptance and waiver of all such claims by buyer. Any claims for loss or damage to goods in transit shall be made to the carrier and not to Seller.

7. Force Majeure. Seller shall not be liable for any damage as a result of any delay or failure to deliver due to any cause beyond Seller's reasonable control, including, without limitation, any act of God, act of buyer, embargo or other governmental act, regulation or request, flood, fire, accident, strike, slowdown, war, act of terrorism, riot, delay in transportation or inability to obtain necessary labor, materials for manufacturing facilities. In the event of any such delay, the date of delivery shall be extended for a period equal to the time lost because of the delay. Buyer's exclusive remedy for other delays and for Seller's inability to deliver for any reason shall be rescission of this Agreement.

8. Materials. Materials are defined on product data sheets. The physical properties, including, without limitation, impact strength and color, may vary due to the relationship with the products packaged. All product relationships should be tested to verify compatibility.

9. Artwork. Printed materials are subject to industry standards for dry-offset, flexographic, or rotogravure techniques. Digital color proofs are not press proofs and will not match the colors printed on a substrate. Digital proofs are for informational purposes only. Qualified graphic designers with industry knowledge are critical for understanding print and print quality.

Warranty. Seller warrants that all goods delivered hereunder shall at the time of delivery to the carrier conform to Seller's written specifications therefor. If any such goods shall be proved to Seller's satisfaction to be nonconforming to the specifications at the time of delivery, then the affected part will be repaired or replaced free of charge, or Seller will refund the purchase price of the affected part. Such repair, replacement or refund (whichever Seller determines, in its discretion, to provide) shall be Seller's sole obligation and buyer's exclusive remedy for any nonconformity or deficiency in goods furnished hereunder and shall be conditioned upon buyer's return of such goods to Seller. SELLER HEREBY DISCLAIMS ANY AND ALL OTHER WARRANTIES WHETHER EXPRESS OR IMPLIED INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE. Any claim for breach of warranty shall be made within three (3) months after delivery of the goods that are the subject of such claim or shall be forever barred. It is solely buyer's responsibility to determine whether the goods are suitable for any given application, purpose or use that may be intended by buyer for such goods, including, without limitation,

TERMS AND CONDITIONS FOR COMMERCIAL SALES,
PACKAGE DEVELOPMENT CORPORATION

for use in any medical device or pharmaceutical application or with food. Accordingly, any description of the goods (other than the specifications), whether in writing or made orally by Seller or Seller's employees, representatives or agents, is for the sole purpose of identifying the goods and shall not be construed as an express warranty. If a sample of the goods has been made available for buyer's examination; buyer acknowledges and agrees that it conducted a full examination of each such sample before entering into this Agreement.

1. **Infringement.** Seller shall not be liable for, and buyer shall indemnify and hold harmless Seller from and against, any and all losses, liabilities, damages, claims and expenses (including attorneys' fees and other costs of defense) incurred by Seller as a result of any claim of patent, trademark, copyright or trade secret infringement, or infringement or any other proprietary rights of third parties due to Seller's use of any drawings, designs or specifications proposed or furnished by buyer.
2. **Confidential Information.** All proprietary and confidential information, including manufacturing or business information, supplied by Seller shall remain Seller's property. Such information shall not be reproduced, used or disclosed to others by buyer without Seller's prior written consent. Confidential information shall not include information buyer can demonstrate: (i) is generally available to the public other than as the result of disclosure by buyer in violation of this Agreement or any other confidentiality obligation; (ii) is legally in buyer's possession at the time of receipt from Seller; or (iii) is obtained by buyer from a third party who is in lawful possession of the information and who has the right to make disclosure thereof, but only if the third party has authorized buyer's use thereof. Immediately upon termination of this Agreement, buyer agrees to return to Seller all confidential information together with any copies thereof.
3. **Waiver: Setoff.** No claim or right arising out of a breach hereof can be discharged in whole or part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in a writing signed by the aggrieved party. Seller may set off any amount due from buyer against any amount which may become due to buyer hereunder.
4. **Consequential Damages and Other Liability.** Except as otherwise agreed in writing, Seller's liability with respect to the goods and/or services sold hereunder shall be limited to the warranties provided in Sections 9 and 10 of these Terms and Conditions, and, with respect to any breaches of its contract with buyer, shall be limited to the contract price of the goods or services that are the subject of the claim. SELLER SHALL NOT BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL OR CONTINGENT DAMAGES WHATSOEVER WHETHER ARISING OUT OF BREACH OF CONTRACT WARRANTY TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHER THEORIES OF LAW WITH RESPECT TO GOODS AND/OR SERVICES SOLD BY SELLER. OR ANY UNDERTAKINGS. ACTS OR OMISSIONS RELATING THERETO AND SELLER HEREBY DISCLAIMS ALL SUCH DAMAGES. Without limiting the generality of the foregoing, Seller specifically disclaims any liability for property or personal injury damages, penalties, special or punitive damages, damages for lost profits or revenues, loss of use of goods or any associated equipment, cost of capital, cost of substitute goods, facilities or services, down time, shut down or slow down costs, or for any other types of economic loss, or for claims of buyer's customers or any third party for any such damages.
5. **Indemnity.** BUYER SHALL INDEMNIFY SELLER AGAINST ANY AND ALL LOSSES LIABILITIES. DAMAGES AND EXPENSES (INCLUDING WITHOUT LIMITATION ATTORNEYS' FEES AND OTHER COSTS OF DEFENSE) WHICH SELLER MAY INCUR AS A RESULT OF ANY CLAIM BY BUYER OR OTHERS ARISING OUT OF OR IN CONNECTION WITH THE GOODS

TERMS AND CONDITIONS FOR COMMERCIAL SALES,
PACKAGE DEVELOPMENT CORPORATION

AND/OR SERVICES SOLD HEREUNDER AND BASED ON PRODUCT OR SERVICE DEFECTS NOT PROVEN TO HAVE BEEN CAUSED SOLELY BY SELLER'S NEGLIGENCE.

6. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND SHALL BE CONSTRUED ACCORDING TO THE INTERNAL LAWS OF THE STATE OF KANSAS (WITHOUT REFERENCE TO PRINCIPLES OF CONFLICTS OF LAWS). THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL NOT BE GOVERNED BY THE 1980

U.N. CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS. ALL LAWSUITS FILED TO ENFORCE AND PROVISIONS WITHIN THE ENFORCEMENT OF THIS AGREEMENT SHALL BE FILED IN THE DISTRICT COURT OF JOHNSON COUNTY, KANSAS OR THE UNITED STATES DISTRICT COURT, FOR THE EASTERN DISTRICT OF KANSAS SITTING IN KANSAS CITY, KANSAS.

7. Ownership of Tools. Work Product and Proprietary Materials. Upon payment by buyer to Seller of the tooling cost for any die, jig or tool that Seller manufactures or acquires in connection with its performance hereunder, such die, jig, or tool shall become the property of the Seller through continued possession and maintenance thereof. Unless otherwise agreed to by Seller in a written agreement signed by an authorized representative of Seller, any and all ideas, trade secrets, know-how, processes, inventions, original works of authorship, modifications, enhancements, improvements, derivative works, computer software (including source code, executable code, data, databases, and documentation), processes, methods, formulas, designs, and any modifications, enhancements, improvements, and derivations of any of the foregoing (in each case whether or not patentable, copyrightable, or able to be protected as a trade secret and whether or not reduced to practice) (collectively, "Work Product") that are (i) conceived, developed, designed, made, authored, contributed to, or reduced to practice by Seller during the performance of, or related to, this Agreement or (ii) incorporated into or used in the manufacture, design, or functionality of goods, services, dies, jigs or tools provided under this Agreement (including Work Product that exists prior to the date of this Agreement) shall, in each case, be owned entirely and exclusively by Seller. Ownership of all rights in Work Product described in (i) and (ii), above, shall vest exclusively in Seller, and in no event shall such Work Product be deemed to be a "work-made-for-hire" for buyer under the copyright laws of the United States. Seller hereby grants to buyer a nonexclusive, nontransferable license (without the right to sublicense) to the Work Product described in (i) and (ii), above, but solely as part of the goods provided to buyer by Seller under this Agreement. Buyer acknowledges that as part of performing services and providing goods to buyer, Seller may utilize proprietary technology, software, ideas, concepts, know-how, tools, models, processes, methodologies and techniques (including any enhancements or modifications thereto pursuant to this Agreement or otherwise) that Seller has originated, developed, purchased or licensed (collectively, "Seller Proprietary Materials"). Buyer agrees that Seller shall retain sole and exclusive title, rights and interest in and to the Seller Proprietary Materials. Subject to this Agreement, Seller grants and buyer accepts a nonexclusive, nontransferable license (without the right to sublicense) to the Supplier Proprietary Materials for use solely as part of the goods provided to buyer by Seller under this Agreement.