



TAYLOR BOX COMPANY
P.O. BOX 343 WARREN, RI 02885-0343
VOICE: 401-245-5900 FAX: 401-245-0450

GENERAL CONDITIONS

1. BUYER'S ACCEPTANCE OF SELLER'S QUOTATION SHALL BE EXPRESSLY CONDITIONED UPON BUYER'S ASSENT TO SELLER'S STANDARD TERMS AND CONDITIONS PRINTED BELOW.
2. ALL ORDERS WILL BE SUBJECT TO ACKNOWLEDGMENT ON SELLER'S STANDARD SALES ORDER ACKNOWLEDGMENT FORM BY SELLER AT SELLER'S APPROPRIATE ORDER ENTRY LOCATION.
3. ALL BUYERS ORDERS, PURCHASE ORDERS, SALES AGREEMENTS SHALL HAVE TAYLOR BOX CO., INC. QUOTATION NUMBER CLEARLY NOTED.

STANDARD TERMS AND CONDITIONS

ANY PROVISION OR CONDITION OF BUYER'S ORDER WHICH IS IN ANY WAY INCONSISTENT WITH OR IN ADDITION TO THESE TERMS AND CONDITIONS (EXCEPT ADDITIONAL PROVISIONS SPECIFYING QUANTITY AND SHIPPING OR BILLING INSTRUCTION) SHALL NOT BE APPLICABLE HERETO OR BINDING UPON SELLER. IF BUYER OBJECTS TO ANY TERMS HEREIN SUCH OBJECTION MUST BE IN WRITING AND RECEIVED BY SELLER AT THE ADDRESS STATED ON THE FACE HEREOF PRIOR TO COMMENCEMENT OF PERFORMANCE BY SELLER. RETENTION BY BUYER OF ANY GOODS DELIVERED BY SELLER HERE UNDER SHALL BE CONCLUSIVELY DEEMED ACCEPTANCE OF THE TERMS AND CONDITIONS HEREOF. SELLER'S FAILURE TO OBJECT TO PROVISIONS CONTAINED IN ANY COMMUNICATION FROM BUYER WILL NOT BE A WAIVER OF THE PROVISIONS HEREOF.

1. **TAXES:** prices **do not include any taxes**, now or hereafter enacted, applicable to the goods sold or this transaction, which taxes will be added by Seller to the sales price where Seller is required by law to collect the same, and will be paid by Buyer unless Buyer provides Seller with a proper tax-exemption certificate.
2. **RELEASE:** Prices apply only if the quantity hereunder is released for **shipment within six (6) Months from the date of Seller's acknowledgement**; otherwise, Seller's standard prices in effect at time of order date shall apply to quantity shipped, and Buyer shall be invoiced for the difference in price, if any.
3. **TITLE AND DELIVERY:** All shipments of goods shall be delivered **F.O.B. Seller's plant**, and title and liability for loss or damage thereto shall pass to buyer upon Seller's tender of delivery of the goods to a carrier for shipment to buyer, and any loss or damage thereafter shall not relieve Buyer from any obligation hereunder. Buyer shall be liable for costs of insurance and transportation and for all import duties, taxes and any other expenses incurred or licenses clearances required at port of entry and destination. Seller may deliver the goods in installments. Shipping dates are approximate only. Seller shall not be liable for any loss or expense (consequential or otherwise) incurred by buyer if Seller fails to meet the specified delivery schedule because of unavoidable production or other delays.
4. **QUANTITIES:** Any variation in quantities shipped over or under the quantities ordered shall constitute compliance with the Buyers order and the unit price will continue to apply. **Industry standard for this industry is plus (+) or minus (-) 10%. Buyer is responsible for payment of goods up to 10% over order amount.**
5. **TERMS AND METHOD OF PAYMENT:** Where Seller has extended credit to Buyer, terms of payment shall be **strictly Net 30 from date of invoice**. Credit will continue to be extended to customers who maintain current balances. Customers whose accounts become 30 days past due will be placed on credit hold until such time as those accounts are brought current. The amount of credit or terms of payment may be changed or credit withdrawn by Seller at any time. All costs of collection will be the responsibility of the debtor.
If the goods are delivered in installments, buyer shall pay for each installment in accordance with the terms of payment hereof. Payment shall be made for the goods without regard to whether buyer has made or will make any inspection of

the goods. If the Buyer delays shipments, payments are due from the date when Seller is prepared to make shipments. Goods held for Buyer are at Buyer's sole risk and expense. These terms apply unless otherwise noted on the reverse side.

6. **CONTINGENCIES:** Seller shall **not be liable for any delay in delivery or for non-delivery, in whole or in part, caused by the occurrence of any contingency beyond the control either of Seller or Seller's supplies**, including but not limited to war (whether an actual declaration thereof is made or not), sabotage, insurrection, riot or other act of civil disobedience, act of a public enemy, failure or delay in transportation, act of any government or any agency or subdivision thereof, judicial action, labor dispute, accident, fire, explosion, flood, storm, or other act of God, shortage of labor, fuel, raw material or machinery or technical failure where Seller has exercised ordinary care in the prevention thereof. If any contingency occurs, Seller may allocate production and deliveries among Seller's customers.
7. **SUBSTITUTIONS AND MODIFICATIONS OF GOODS:** Seller **may modify the specifications of goods designed by Seller** and substitute goods manufactured to such modified specifications for those specified herein provided such goods substantially conform to this contract.

8. **WARRANTIES:** THE FOLLOWING ARE IN LIEU OF ALL WARRANTIES, EXPRESSLY IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND OF ANY OTHER WARRANTY OBLIGATION ON THE PART OF SELLER.

Seller, except as otherwise hereinafter provided, warrants the goods against faulty workmanship or the use of defective materials and that such **goods will conform to mutually agreed upon written specifications**, drawings and other descriptions, **as outlined in sellers quotation**, for a period set forth in the schedule below.

Seller warrants that at the time of delivery Seller has title to the goods free and clear of any and all liens and encumbrances. These warranties are the only warranties made by Seller and can be amended only by a written instrument signed by an officer of Seller.

Seller's warranties as hereinabove set forth shall not be enlarged, diminished or affected by, and no obligation or liability shall arise or grow out of, Seller's rendering of technical advice or service in connection with Buyer's order of the goods furnished hereunder.

9. **PATENTS:** Seller shall defend any suit or proceeding brought against Buyer insofar as such suit or proceeding is based on a claim that any goods manufactured and supplied by Seller To Buyer constitute direct infringement of any duly issued United States patent and Seller shall pay all damages and costs finally awarded therein against Buyer, provided that Seller is promptly informed and furnished a copy of each communication, notice or other action relating to the alleged infringement and is given authority, information and assistance (at Seller's expense) necessary to defend or settle said suit or proceeding. Seller shall not be obligated to defend or be liable for costs and damages if the infringement arises out of compliance with Buyer's specifications, or from a combination with, an addition to, or a modification of the goods after delivery by Seller, or from use of the goods, or any part thereof, in the practice of a process. Seller's obligations hereunder shall not apply to any infringement occurring after Buyer has received notice alleging the infringement unless Seller has given written permission for such continuing infringement.

Seller shall not be liable for any collateral, incidental or consequential damages arising out of patent infringement. If infringement is alleged prior to completion of delivery of goods, Seller may decline to make further shipments without being in breach of this contract.

The foregoing states the sole and exclusive liability of Seller for patent infringement and is in lieu of all warranties, express, implied or statutory, in regard thereto.

10. **REMEDIES AND DAMAGES:** If the goods furnished by Seller fail to conform to this contract, including but not limited to, Seller's warranty, **Seller's sole and exclusive liability shall be (at Seller's option) to repair, replace or credit Buyer's account** for any such goods which are returned by Buyer during the applicable warranty period set forth above, provided that (i) Seller is promptly notified in writing upon discovery by buyer that such goods failed to conform with a detailed explanation of any alleged deficiencies, (ii) such goods are returned to Seller, F.O.B. Seller's plant, and (iii) unauthorized repair or improper testing. If such goods fail to conform to this contract, Seller shall reimburse Buyer for the transportation charges paid by Buyer for such goods. If Seller elects to repair or replace such goods, Seller shall have a reasonable time to make such repairs or replace such goods.

In no event shall seller be liable for special, incidental or consequential damages for any breach of warranty of this contract, including but not limited to, costs of removal and reinstallation of goods, loss of good will, loss of profits and loss of use.

11. **TERMINATION AND CANCELLATION:** a. Buyer may terminate this contract in whole or, from time to time, in part upon written notice to Seller. In such event **Buyer shall be liable for termination charges** which shall include a

price adjustment based on the quantity of goods actually delivered, and all costs, direct and indirect, incurred and committed for this contract together with a reasonable allowance for prorated expenses and anticipated profits.

b. Unless otherwise specified on the face hereof, all quantities must be released no more than (12) months from the date

of Seller's receipt of Buyer's order, otherwise this contract may be canceled by Seller, and Buyer shall be liable for termination charges as provided herein.

c. If in Seller's judgement, Buyer's financial condition does not justify the terms of payment specified, Seller may cancel this contract unless Buyer shall immediately pay for all goods which have been delivered and pay in advance for all goods to be delivered.

12. **NON-WAIVER OF DEFAULT:** In the event of any default by Buyer, Seller may decline to make further shipments. If Seller elects to continue to make shipments, Seller's action shall not constitute a waiver of any default by Buyer or in any way affect Seller's legal remedies for any such default.
13. **APPLICABLE LAW:** the laws of the State of Rhode Island and Providence Plantations shall govern the validity, performance and construction of this contract.
14. **U.S. GOVERNMENT CONTRACTS:** If the goods to be furnished under this contract are to be used in the performance of a U.S. Government contract or subcontract and a U.S. Government contract number shall appear on Buyer's purchase order, those clauses of the applicable U.S. Government procurement regulation which are mandatory required by Federal Statute to be included in U.S. Government subcontracts shall be incorporated herein by reference.
15. **ASSIGNMENT:** This contract shall be binding upon and inure to the benefit of the parties and the successors and assigns of the entire business and good will of either Seller or Buyer, or of that part of the business of either used in the performance of this contract, but shall not be otherwise assignable.
16. **MODIFICATION:** THIS CONTRACT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES RELATING TO THE SALE OF THE GOODS DESCRIBED ON THE FACE HEREOF, AND NO ADDITION TO OR MODIFICATION OF ANY PROVISION UPON THE FACE OR REVERSE OF THIS CONTRACT SHALL BE BINDING UPON SELLER UNLESS MADE IN WRITING AND SIGNED BY A DULY AUTHORIZED REPRESENTATIVE OF SELLER LOCATED AT SELLER'S APPROPRIATE ORDER-ENTRY LOCATION.
17. **AFFIDAVITS AND CERTIFICATES:** No certificates of compliance, conformance, or chemical analysis shall be provided unless Buyer's detailed requirements are stated on the face of the buyer's order. Seller reserves the right to charge an additional fee for any such certificates.
18. **SIZES, TOLERANCES AND INSPECTION:** When quotations are made on the basis of samples or otherwise, the dimensions on which the quotation is based will be stated. The dimensions for quoting and manufacturing are the mean specifications and are subject to normal tolerances for variations.
19. **TOOLS, DIES AND PRINTING PLATES:** Unless otherwise provided herein where "prep" or preparation charges are specified, **all tools, dies and plates manufactured for this contract will be the Seller's property** and the buyer will be billed separately for cost of manufacturing and handling. These tools, dies and plates are not included in the price of the Seller's product unless as specified on the face of this contract. These tools, dies and plates are the property of the Seller but may, by written notice from the Buyer be tendered to the buyer at the discretion of the Seller.

READ CAREFULLY BEFORE PROCESSING