

*GENERAL TERMS AND CONDITIONS (Rev 08/14)*

THESE ARE THE GENERAL TERMS AND CONDITIONS OF SALE OF **CLOSURE SYSTEMS INTERNATIONAL PACKAGING MACHINERY, INC.**

(HEREAFTER, "SELLER") AND ALL SALES ARE LIMITED TO THE TERMS AND CONDITIONS CONTAINED ON THE FACE AND BACK HEREOF. ANY ADDITIONAL OR DIFFERENT TERMS IN THE PURCHASER'S FORM ARE HEREBY DEEMED TO BE MATERIAL ALTERATIONS AND NOTICE OF OBJECTION TO THEM AND REJECTION OF THEM IS HEREBY GIVEN.

1. **WARRANTY:** (a) Seller warrants to Purchaser that goods of its own manufacture will, at the time of shipment, conform to the description on the face hereof and be conveyed with good title thereto, free from security interests, liens and encumbrances unknown to Purchaser. Seller also warrants goods manufactured by Seller to be free from defects in material and workmanship for a period of one (1) year from the date of shipment if properly installed and maintained and if operated under normal conditions. (b) SELLER MAKES NO WARRANTY THAT THE GOODS SHALL BE MERCHANTABILITY OR FIT FOR ANY PARTICULAR PURPOSE, SELLER MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT SUCH AS IS EXPRESSLY SET FORTH HEREIN. Seller makes no warranty whatsoever with respect to goods manufactured by independent suppliers. Warranties with respect to such goods are limited to those which are offered by such suppliers and are transferable.
2. **LIMITATION OF LIABILITY:** (a) Seller's liability and Purchaser's exclusive remedy for any tender of nonconforming or defective goods or breach of warranty, except as to the warranty of non-infringement which is set forth in paragraph 6 below, is expressly limited to Seller's choice of (1) repair of non-conforming or defective goods, (2) the replacement thereof with conforming goods at the trade term point designated hereunder, or (3) the repayment of that portion of the purchase price represented by non-conforming or defective goods. Such repair, replacement, or repayment will be made only upon return of the non-conforming or defective goods, which may be returned at the cost of Seller only after inspection by Seller and receipt by Purchaser of definite shipping instructions from Seller. (b) Purchaser shall have fifteen (15) days from receipt of any goods provided hereunder to inspect such goods and determine if the goods are non-conforming or defective, or whether any shortages exist. If Purchaser wishes to make a claim for non-conforming or defective goods, or for any shortages, Purchaser must notify Seller in writing prior to the expiration of the fifteen (15) day inspection period and permit inspection by Seller of such goods. No goods may be returned without prior written authorization from Seller. (c) Seller shall not be liable for any incidental, consequential, indirect, special, contingent or punitive damages that may arise from: (1) any breach of warranty, except as to the warranty of non-infringement which is set forth in paragraph 6 below, whether based on theories of breach of warranty, breach of contract, tort, strict liability or otherwise; (2) the tender of defective or non-conforming goods; or (3) breach of any other provision of this agreement. In any event, Seller's liability shall not exceed the purchase price of the goods on which such liability is based. (d) All technical advice or assistance furnished by Seller to Purchaser with regard to use of goods sold hereunder is provided gratis, and Seller assumes no obligation or liability for such advice or assistance given or results obtained.
3. **PAYMENT:** Unless otherwise stated herein, prices are FCA-CRAWFORDSVILLE, IN or FCA-NEW CASTLE, IN, as applicable, and Purchaser shall reimburse Seller for all taxes, excises, duties, fees or other charges which Seller may be required to pay to any Federal, State, or Local government upon the production, sale documentation, delivery and/or transportation of the goods sold hereunder. Payment terms are as follows: 35% of the sales price is due upon receipt of Seller's deposit invoice; 55% is due prior to shipment; and 10% is due net thirty (30) days from the date of Seller's shipment invoice. Seller reserves the right to suspend engineering and production of goods until deposit invoice is paid. Purchaser shall incur interest at the lesser of the rate of 1.5% (1.5 percent) per month or the highest rate permitted by applicable law on amounts not paid in accordance with the terms of sale. Foreign shipments will be in United States funds based on a confirmed irrevocable letter of credit to be opened no later than forty five (45) days from receipt of purchase order, or by special terms agreed upon in writing. Such amounts shall be paid upon presentation of documents.
4. **RISK OF LOSS, OWNERSHIP AND TITLE:** Unless otherwise stated herein, title, ownership, right of possession and risk of loss with respect to the goods shall remain with Seller until the goods are placed at the disposal of Purchaser at the point of shipment. Until such time as Seller has received full payment for goods sold hereunder, Seller shall have available all rights at law or equity to a secured seller, including the right to enter upon the premises where such equipment shall be located for purposes of removing same, or rendering it inoperative, and all such rights shall be cumulative.
5. **DELAYS:** (a) If a specific shipping (dispatch) date is not designated on the face hereof or in a subsequent writing signed by Seller, Seller shall not be responsible for any delays in the performance of this order nor be liable for any loss or damages resulting from any delays. If a specific shipping date is designated either on the face hereof or subsequently by Seller, Seller shall use reasonable efforts to meet such shipping date, but shall have no liability to Purchaser if unable to do so, including without limitation, liability for incidental and consequential damages for delays in delivery. Seller will not be liable for delays in filling this order or failure in the performance of any of its obligations hereunder caused by accidents, differences with workmen, shortages of labor, materials, fuel, power fires, floods or other act of God, acts or omissions of Purchaser, priorities required, requested or granted for the benefit of the Federal or any State government, restrictions imposed hereunder by Federal or State legislation or regulators there under, or any cause, whether similar or dissimilar to those enumerated, beyond the control of Seller. (b) If Purchaser is unable to accept equipment on schedule and requests postponement of delivery, Purchaser shall pay Seller for all storage and handling charges for equipment after the first missed scheduled delivery date, plus a service charge of 1% (1 percent) per month of the purchase price of such equipment.
6. **INFRINGEMENT:** Subject to the limitations set forth below, Seller agrees to indemnify Purchaser against court assessed damages and costs resulting from infringement of any United States Letter Patent or other intellectual property right, existent at the time of Purchaser's acceptance of this offer, that may cover tools, machines, components, constructions or other goods offered for sale generally by Seller on said date, to the extent that such tools, machines, components, constructions or other goods are supplied hereunder and are in the condition furnished to the Purchaser by Seller. Seller's liability respecting infringement shall be limited to the purchase price of the particular goods raising the infringement charge, adjusted by straight line depreciation based on a ten-year life. Where the infringement arises from a severable component of an assembly, such as a tool part which is severable from an assembly such as a press, Seller's liability shall be limited to the ten year straight line depreciated price or replacement price or cost of said component. Purchaser agrees to indemnify Seller, its successors and assigns, against all court assessed decrees and costs resulting from infringement of any United States Letters Patent or other intellectual property right to the extent that such infringement arises from designs, specifications or instruction furnished or expressly or implicitly required by Purchaser. Neither party shall be entitled to indemnification as to any claim for which it does not give prompt notice to the other party including notice respecting indemnification hereunder, and full opportunity at the expense of such other party, to defend and dispose of such claim. The sale of goods hereunder shall not grant to Purchaser any right or license of any kind under any patent or other intellectual property right owned or controlled by Seller, but the foregoing shall not be understood to limit in any way the right of Purchaser to use and sell such goods in the event that such goods as sold hereunder are covered by a patent or other intellectual property right owned or controlled by Seller.
7. **AFFILIATES:** Part or all of this order may be performed and part or all of the rights here-under against Purchaser may be enforced by Seller or by any one or more of Seller's affiliates.
8. **INSTALLATION:** Unless otherwise indicated, the quoted prices do not include installation or other services which may be provided by Seller. If such services are provided by Seller upon Purchaser's request, Purchaser shall be charged in accordance with Seller's prevailing schedule of charges for the applicable services. If Seller's personnel will be working in an area of Purchaser's plant with union personnel, Purchaser must make all necessary arrangements for Seller's personnel to perform installation work in harmony with local unions and applicable laws. Purchaser must secure all applicable building permits and pay all applicable fees and charges prior to Seller performing any installation work.
9. **CANCELLATION:** Purchaser may cancel or terminate this order, in whole or in part, only upon the written consent of Seller. Because of the difficulties of proof of loss and the non-feasibility of otherwise obtaining an adequate remedy for actual harm as lead-time for Seller's shipment elapses, in the event of cancellation, Purchaser agrees to pay liquidated damages according to the following schedule: a cancellation charge of 35% of the total purchase price when up to 25% the scheduled lead-time for shipment has elapsed; 60% of the total purchase price when up to 50% of the scheduled lead-time for shipment has elapsed; 85% of the total purchase price when up to 75% of the scheduled lead-time has elapsed; and 100% of the total purchase price after the expiration of more than 75% of the scheduled lead time has elapsed.
10. **TRADE TERMS:** The trade terms used herein (for example "FCA") shall have the meaning defined by "Incoterms 2010" published by the International Chamber of Commerce, except as modified herein.
11. **ARBITRATION:** All disputes, controversies or claims arising in connection with the present contract, including a dispute regarding its validity, termination, performance or breach thereof, shall be finally settled by arbitration administered by the International Court of Arbitration of the International Chamber of Commerce (the "ICC") in accordance with the ICC Rules of Arbitration in effect at the time of the arbitration. The arbitration shall be conducted by three arbitrators appointed in accordance with said rules. The place of arbitration shall be Indianapolis, Indiana and the proceedings shall be conducted in the English language. The award rendered by the arbitrator(s) shall be final and binding on the parties and judgment on the award may be entered in any court of competent jurisdiction.
12. **SAFEGUARDING:** Purchaser assumes and shall bear all responsibility to order, install, and use adequate and sufficient safeguards, work handling and safety devices to fully protect the operator and any other user of the goods sold hereunder at all times in accordance with legal requirements under applicable Federal, State and Local laws and codes and industry accepted standards. Seller shall have no liability to Purchaser whatsoever for the failure of Purchaser to order, install or use such safeguards, work handling tools or safety devices and Purchaser agrees to indemnify, defend and save Seller harmless from all liabilities, claims, demands, losses and expenses (including reasonable attorneys' fees) resulting from Purchaser's failure to order, install and use such safeguards, work handling tools or safety devices.
13. **INDEMNITY:** Other indemnity provisions notwithstanding, Purchaser shall release, hold harmless, indemnify and defend Seller from and against liabilities (including without limitation liability for negligence or strict liability), losses, claims, suits and costs on account of personal injuries (including death), property loss, or damage to others caused by, arising out of, or relating to (a) the design of goods supplied hereunder or the design of packages or containers in which goods supplied hereunder are shipped, if such goods, packages or containers are made in compliance with the Purchaser's designs or specifications, or (b) any modifications, alterations or changes by Purchaser of the goods supplied hereunder.
14. **MISCELLANEOUS:** (a) Headings used herein are for convenience only and shall not be used for interpretive purpose. (b) A party's failure to act with respect to another party's breach of any provision contained herein does not constitute a waiver. (c) If any provision herein is held to be invalid or unenforceable, such provision shall be narrowly construed, if possible, or otherwise deemed ineffective and the remaining provisions shall not be affected. (d) These terms and conditions will survive the fulfillment of the Purchase Order.
15. **GOVERNING LAW:** The laws governing the agreement and any dispute arising from or in connection with the agreement shall be the laws of state of New York, and federal intellectual property laws, without regard for choice of law. Notwithstanding anything to the contrary herein, the arbitration provisions set forth herein, and any arbitration conducted there under, shall be governed exclusively by the Federal Arbitration Act, Title 9 United State Code to the exclusion of any state or municipal law of arbitration.