

TERMS AND CONDITIONS OF PURCHASE BY THE AFFILIATED COMPANIES AND BUSINESSES OF ZUCKERMAN HONICKMAN, INC.

WARRANTIES AND DISCLAIMERS: Seller warrants only that its products shall conform to the product specifications submitted by Buyer or Buyer's customer. SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH EXCEED THE ABOVE OBLIGATION ARE HEREBY DISCLAIMED WHETHER THE GOODS ARE USED ALONE OR IN COMBINATION WITH OTHER SUBSTANCES.

NO CHANGES BY SELLER: Buyer acknowledges that Seller has not manufactured the goods and that it has not in any way altered the goods between their manufacture and delivery to Buyer. Seller has been informed by the manufacturer, however, that the materials covered hereunder have been produced in compliance with the requirements of the Fair Labor Standards Act of 1938 and its amendments and regulations and orders issued thereunder.

SELLER'S LIABILITY: In any case where goods supplied hereunder are found to be defective, Seller's sole and exclusive obligation is expressly limited to replacing or restoring the defective products or refunding to Buyer the amount paid therefore. In no event shall Seller be liable for incidental or consequential damages, including but not limited to loss of revenue or profit, or any other indirect or special damages. SELLER'S MAXIMUM LIABILITY IN CONNECTION WITH THIS ORDER WILL BE THE AMOUNT PAID TO SELLER HEREUNDER, INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO ANY INJURY CLAIM, DAMAGE OR LOSS, DIRECT OR INDIRECT, ARISING OUT OF THE USE OF THE GOODS. Seller shall not be responsible for delays or failures to ship due to causes beyond its control or for any other cause, including but not limited to inability to obtain shipping facilities, inability to obtain goods, merchandise or materials in sufficient quantity or of usual quality, failure of the manufacture to produce or ship upon any specific date or in sufficient quantity or quality, Act of God, strikes, war, riot, fire, explosion, accident, flood, sabotage, lack of adequate fuel, power, raw materials, labor, containers or transportation facilities, compliance with governmental requests, laws, regulations, orders or actions, breakage or failure of machinery or apparatus, national defense requirements or any other event not within the exclusive control of Seller.

COST OF COLLECTION: In the event Buyer shall default in its obligations to Seller, Buyer shall be liable for Seller's cost of collections, including, without limitation, reasonable attorney's fees and court costs, shipping charges, energy surcharges, duties and taxes.

CLAIMS: Claims for errors, shortages or breakage must be made in writing to Seller within five (5) days after receipt of shipment. Claims for goods damaged in transit must be filed against the carrier and are not the responsibility of Seller. No claim shall be honored for goods or merchandise returned to Seller without its prior written consent.

CANCELLATIONS: Orders accepted by Seller may be cancelled only with its consent and subject to such cancellation charges as it may assess. No order as to which production has begun shall be subject to cancellation, deferment of delivery or change in specifications without Seller's written consent. In the event of cancellation of any order for which special materials have been purchased by Seller, Buyer, and/or Buyer's customer shall reimburse Seller for the cost of said special materials.

PAYMENT; INTEREST: Payment is due within the agreed-upon payment terms. Interest on overdue amounts shall be charged at *Wall Street Journal* 'prime rate of interest' plus two percent (2%) per annum.

TAXES AND SHIPPING CHARGES: Buyer shall be responsible for the payment of all taxes applicable with respect to this sale, including excise taxes or other similar charges, and shall reimburse and indemnify Seller for any of same which it may be required to pay to any government (national, state, and local) upon the sale, delivery, and/or transportation of the goods sold hereunder. Seller shall ship the merchandise ordered hereby by means selected by it to the address shown hereon unless instructed otherwise; however, the risk of loss and damage in transit plus all other provisions hereof in connection therewith shall be upon the Buyer. Unless otherwise specified in writing by Seller, Buyer shall pay all shipping charges incurred in connection

with the sale of the goods specified hereunder or shall reimburse Seller for same in the event Seller shall be required to pay any and all said shipping charges.

TITLE, RISK, AND POSSESSION: Title to and possession of all products sold hereunder shall pass to Buyer upon delivery of said goods to the carrier, and such products shall be at the risk of Buyer from and after such delivery. The responsibility of Seller, if any, shall cease upon delivery of the goods to the carrier by the manufacturer thereof or upon shipment from the manufacturer's plant if said shipment is carried out by the manufacturer.

STORAGE OR WAREHOUSE CHARGES: In the event Buyer requests any delays in the shipment of goods or refuses to accept delivery of same, Buyer shall pay all storage or warehouse charges incurred and imposed as a result thereof by the manufacturer or Seller. Buyer shall pay all shipping and/or transportation charges including insurance for warehouse storage.

RETURN OF PALLETS: Buyer shall arrange at its cost to return all pallets in usable condition to the supplier that had used them to deliver products which Buyer had purchased from Seller. If not promptly returned to the appropriate supplier in the required condition (as determined in that supplier's sole judgment), Seller will invoice Buyer for the full value of all pallets, tier sheets and frames that were either not returned to the delivering supplier, or were returned in other than usable condition.

NO WAIVER BY SELLER: Failure of Seller to insist on compliance of any provisions of this contract shall not be considered as a waiver of Seller of subsequent compliance with the same or any other provision.

SOLE AGREEMENT: This writing is intended by the parties as a final expression of their agreement and is intended also as a complete, integrated statement of the terms and conditions of their agreement, none of which can be modified, altered, amended or rescinded unless done so in writing signed by all parties hereto, irrespective of any usage of trade, course of dealing, understanding or writing (including without limitation any purchase orders or acknowledgements of Buyer) purporting to modify, vary, explain or supplement the terms of this agreement.

SELLER'S INSPECTION: In the event that Buyer shall make claim upon Seller for any damages as specified and permitted hereinbefore, Seller shall have the right to inspect any goods subject to such claim and Buyer shall make such goods available to Seller's inspection within five (5) days after receipt by Seller of Buyer's claim. Such inspection may be carried out by any agent, servant, employee, consultant or independent contractor selected by Seller.

SUCCESSORS AND ASSIGNS: This agreement shall be binding upon and inure to the benefit of the successors of the parties hereto but shall not be assignable by either party without the written consent of the other party. In the event of any voluntary or involuntary bankruptcy, receivership, insolvency or reorganization proceeding of either party against either party, or the assignment of all or substantially all of the assets of either party for the benefit of creditors, the other party may terminate the agreement by giving written notice of same, which shall be effective upon the date it is issued.

THE FOLLOWING TERMS AND CONDITIONS APPLY ONLY TO POLYETHYLENE PRODUCTS: Seller reserves the right to ship and invoice and Buyer agrees to accept and pay for overruns or underruns at the rate specified on the invoice in accordance with the following schedule:

- on any order of 100,000 units or over: +/- 15%
- on any order of 50,000 to 100,000 units: +/- 20%
- on any order of less than 50,000 units: +/- 25%

Shipments within the above limits will constitute complete fulfillment of the order by Seller.

CHOICE OF LAW; VENUE: This order, and the delivery, and payment for the goods ordered hereby, are governed by Pennsylvania substantive law. Any action brought in respect of this agreement must be brought in a state or federal court located in Montgomery County, Pennsylvania.