

The Reynolds Company

TERMS AND CONDITIONS OF SALE

- 1. TERMS OF SALE.** These Terms and Conditions of Sales (“Terms”) shall apply to all sales of product (“Product”) by The Reynolds Company (“Seller”). All purchases of Product are expressly limited to and conditioned upon acceptance of these Terms, regardless of the manner in which purchases are made or documented. Unless expressly agreed to by Seller in a writing signed by Seller, any additional or conflicting terms and conditions contained on, attached to or referenced by any of Seller’s customer’s (“Buyer’s”) purchase related documentation (collectively, “Purchase Orders”), or other prior or later communication from Buyer to Seller, shall have no effect on the purchase of any such Product by Buyer from Seller and are expressly rejected by Seller. Buyer’s commencement of performance (including ordering, purchasing or taking delivery of Product) shall in all cases constitute Buyer’s unqualified and unconditional acceptance of these Terms.
- 2. TITLE AND RISK OF LOSS.** Unless otherwise agreed in writing executed on behalf of Buyer and Seller, (1) all Product shall be shipped F.O.B. Seller’s designated shipping point (in accordance with the South Carolina Uniform Commercial Code); and (2) title to Product and risk of loss, damage and contamination of Product passes to Buyer when Seller places Product with a carrier at the shipping point and Product shall be deemed “delivered” at such time. The Seller shall have the sole and exclusive right, exercisable from time to time and at any time, to determine the carrier(s) that will be used to ship the Product(s) (the “Carrier”). Buyer shall pay all insurance costs associated with delivery, and shall be responsible for filing and pursuing claims with carriers for loss or damage in transit, unless Seller assumes these obligations in writing. Buyer shall be responsible for payment of all invoices regardless of lost, damaged or late shipments.
- 3. EXPORT CONTROL REGULATIONS.** All products sold by Seller are subject to the export controls laws of the USA, and Buyer agrees not to divert or resell the Products contrary to such laws. If any license or consent of any government or other authority is required for the acquisition, carriage or use of product by Buyer, Buyer will obtain the same at its expense and provide evidence of the same to Seller on request. Failure to do so will entitle Seller to withhold or delay shipment, but failure to do so will not entitle Buyer to withhold or delay payment of the price therefor. Any expenses or charges incurred by Seller resulting from such failure will be paid for by Buyer within ten (10) days of receipt of Seller’s written request.
- 4. ANTICORRUPTION.** Buyer understands and agree that they will comply with all applicable anti-bribery and anti-corruption laws, regulations, rules and requirements including the United States Foreign Corrupt Practices Act (“FCPA”), and any other applicable laws, regulations, rules and requirements. In accordance with this understanding, Buyer represents that it, and each of its owners, directors, officers, employees, and every other person acting on its behalf, has not and will not, in connection with any business transactions involving the Seller or its Products, directly or indirectly, (1) Offer, promise, authorize or make any payments of money or anything of value to any “Government Official” (see definition below) or to any agent or intermediary for further payment to any Government Official, (i) to influence the acts of decisions of such Government Official, (ii) to induce the Government Official to do or omit to do any act in violation of a lawful duty, (iii) to obtain any improper advantage, or (iv) to induce the Government Official to use his or her influence in order to affect any government act or decision, in order to obtain, retain, or direct business to any person or entity; or (2) Otherwise offer, promise, authorize or pay any illegal bribe, kickback or other payment in violation of any applicable law; this prohibition includes “Facilitation Payments.” For purposes of these Terms, a “Government Official” includes any appointed, elected, or honorary official or any career or other employee of any U.S. or non-U.S. national, regional or local government or of a public international organization; any U.S. or non-U.S. political party or party official or any candidate for U.S. or non-U.S. political office, in any country. The “government” includes any agency, department, embassy or other government entity or instrumentality. It also includes any company or other entity owned or controlled by the government, in whole or in part. A person does not cease to be a Government Official by purporting to act in a private capacity or by the fact that he or she serves without compensation. Should Seller reasonably or in good faith believe that there may have been a breach of any representation or warranty of this section of the Terms, the parties shall cooperate in good faith to determine whether such a breach has occurred. If Seller determines reasonably and in good faith that there has been a breach of any such representation or warranty, Seller shall have the right unilaterally to terminate all sales immediately and/or take other appropriate action in accordance with these Terms.

5. **COMPLIANCE WITH LAW.** (a) "Laws" shall mean all applicable laws, treaties, conventions, directives, statutes, ordinances, rules, regulations, licensing requirements, order, writs, judgments, injunctions or decrees of any governmental authority having jurisdiction pertaining to these Terms.
- (a) Buyer will be responsible for compliance with all Laws applicable to Product once the Product has been delivered in accordance with this Agreement. Failure to do so will entitle Seller to withhold or delay shipment.
- (b) Except as permitted under U.S. Laws, Product will not be sold, supplied or delivered by the Buyer directly or indirectly to any party or destination that, at the time of such sale, supply or delivery, is declared an embargoed/restricted party or destination by the government of the United States of America or by the United Nations. Within two (2) days after Seller's request, Buyer will provide Seller with appropriate documentation to verify the final destination of any Product delivered hereunder.
6. **INSPECTION.** Immediately upon Product receipt, Buyer shall, at its sole cost and expense inspect, test and evaluate the Product to ensure that it is suitable for all of Buyer's purposes and that it has received all required quantities. No later than five (5) days after Buyer's receipt of Product and before the use, disposition, processing, or other change from the original condition of any part of the Product ("Use" or as a verb "Used"), Buyer shall notify Seller in writing of Product is found deficient, defective or short in any respect. Buyer's failure to give timely written notice to Seller of any deficiency, defect or shortage within such five (5) day period shall constitute an unqualified acceptance of the Product and a waiver by Buyer of all claims with respect hereto.
7. **WEIGHT.** In case of bulk shipments, Seller's weights shall govern unless established to be incorrect.
8. **FURTHER HANDLING AND USE.** Seller shall not be liable for, and Buyer shall indemnify, defend and hold harmless seller, its affiliates and their respective officers, directors, employees, representatives and agents ("indemnitees") from and against, any and all claims, losses, liabilities, costs and expenses (including attorneys' fees) ("Claims") arising out of or resulting from the handling, use, manufacture, processing, alteration, distribution, sale or marketing of Product, or any other action or inaction with regard to the Product, in each case after the delivery thereof to Buyer; provided however, that Buyer shall not be liable to Seller for damages directly caused by the sole negligence of Seller. Buyer's obligations under this Section shall survive the termination, cancellation or expiration of all orders delivered under these Terms and the cessation of any business transactions between Seller and Buyer.
9. **LIMITED WARRANTY.** Seller warrants only, at the time of delivery, that: (i) Product shall conform to the specification agreed in writing by Seller and Buyer, or if no written agreement as to specification, Seller's then current specifications for the specific Product sold hereunder; and (ii) Seller will deliver good title to the Product and that the Product shall be delivered free of liens or encumbrances. Buyer, having the expertise and knowledge in the intended Use of Product sold hereunder and any Use or other product or material made therefrom, assumes all risk and liability for results obtained by the Use of Product, whether Used singly or in combination with other substances or in any process. EXCEPT AS SET FORTH IN THIS SECTION, SELLER SPECIFICALLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS OF THE PRODUCT FOR A PARTICULAR PURPOSE, CONDITION OR QUALITY OF THE PRODUCT, ANY TRADE USAGE OR DEALING. ANY DETERMINATION OF THE SUITABILITY OF THE PRODUCT FOR THE USE COMTEMPLATED BY BUYER IS BUYER'S SOLE RESPONSIBILITY.
10. **LIMITATION OF LIABILITY AND LIMITED REMEDIES. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IN NO EVENT WILL SELLER BE LIABLE TO BUYER FOR ANY LOST OR PROSPECTIVE PROFITS, INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST EARNINGS, OR BUSINESS INTERRUPTION, WHETHER OR NOT BASED UPON SELLER'S NEGLIGENCE, BREACH OF WARRANTY, STRICT LIABILITY, IN TORT OR ANY OTHER CAUSE OF ACTION. FOR THE SAKE OF CLARITY, THE PRECEDING SENTENCE INCLUDES THOSE INCIDENTAL AND CONSEQUENTIAL DAMAGES REFERENCED IN §2-715 OF THE SOUTH CAROLINA UCC.** Buyer's exclusive remedy vis-à-vis Seller or any cause of action under the Agreement, including for failure to deliver or late delivery, is, at Seller's option limited to (i) replacement of the non-conforming Product; or (ii) refund to Buyer of the portion price attributable to such non-conforming Product. In no event shall Seller's cumulative liability exceed the price of Product sold which was the direct cause of the alleged loss, damage or injury. IN ANY EVENT, BUYER AGREES THAT THE RETURN OF THE FULL SALES PRICE FOR THAT PRODUCT SOLD WHICH WAS THE CAUSE OF THE ALLEGED LOSS, DAMAGE OR INJURY WILL PREVENT THE FOREGOING REMEDIES FROM FAILING OF THEIR ESSENTIAL PURPOSE, AND THAT SUCH REMEDY IS FAIR AND ADEQUATE.

- 11. ORDER ACCEPTANCE.** No sales representative or agent is authorized to bind Seller. Orders placed with a sales representative or agent will not be binding on Seller until confirmed in writing by Seller's authorized representative at Seller's Headquarters. An order is accepted when acknowledged in writing or when shipped, whichever occurs first. All orders placed on credit are subject to the review and approval of Seller's Credit Department. If in Seller's judgment, Buyer's financial condition at any time does not justify the terms of payment specified, Seller reserves the right to require full payment in cash before order entry, manufacture, shipment, or delivery. For Buyers whom credit is not established and approved by Seller, Seller may require payment in cash before order entry, manufacture, shipment, or delivery of goods. Seller reserves the right to reject any order if at any time Seller deems the financial responsibility or condition of the customer placing any order to be unsatisfactory.
- 12. DELIVERY.** The parties will cooperate to the extent reasonable to coordinate times for deliveries hereunder, and Buyer will give reasonable prior notice as to quantities and scheduling desired, provided that all shipping dates are approximate and not guaranteed. Seller will not be responsible for any failure or delay of delivery or other performance due to fire, floods, windstorms, labor difficulties, plant or equipment breakdown, riots or civil commotions, explosions, war, or due to any other cause or causes beyond its control.
- 13. PURCHASE PRICE.** The purchase price (the "Purchase Price") for the Product(s) shall be the total, gross amount that is set forth on the sales invoice that is for the Product(s) that are shipped to the Buyer (the "Invoice"). Unless otherwise agreed in writing, all Product prices are exclusive of taxes, customs, duties, transportation and insurance. The Buyer expressly agrees and acknowledges that the Purchase Price shall include any and all price increases to which the Seller may be subject as a result of any price changes in raw materials and other costs relating to the Product(s) (collectively, "Price Changes"). Accordingly, the Buyer agrees and acknowledges that any and all price quotes and sales offers, whether written or verbal may be increased for any such Price Change. All pricing is subject to home office approval. All products will be invoiced at the price in effect on the date of the shipment, determined by Seller's current product prices. Seller reserves the right to adjust its current price to meet competition, but all price exception requests must be approved prior to the shipment of the product. Seller reserves the right to cancel or remove price adjustments or exceptions which may have previously been made to meet a competitive offer, when in its judgment it becomes necessary or prudent to do so, or the competitive situation no longer exists. All pricing is subject to change without notice. An effort will be made, however, to provide sufficient lead-time to our customers before a price is changed. Shipments made on or after the date of a price change will be invoiced at the new price.
- 14. PAYMENT TERMS/BUYER'S CREDIT.** Buyer shall pay all invoices, without deduction, on or before the due date in United States currency. If Buyer has established credit with Seller, payment terms are net 30 days from ship date. All other payment terms must be approved in advance of order shipment. Approved payment terms will be stated on the face of each individual invoice, and cash discounts, if any, will be allowed only if payment is RECEIVED by Seller or deposited by electronic funds transfer to the bank and account specified by Seller within the time stated thereon, which shall be calculated from the order ship date. Payments not received by the net due date will be considered past due and could result in a suspension or cancellation of purchase orders and shipments. Buyer shall pay interest at a rate of one and a half percent (1½%) per month compounded monthly, or the maximum percentage rate permitted by Law, whichever is less, on the outstanding amount of any unpaid invoice beginning on the day after the payment due date. In the event Buyer defaults in payment, Buyer shall be liable for all collection costs incurred by Seller including, but not limited to, attorney and collection agency fees, and all related disbursements.

Seller reserves the right to select its own customers. All Buyers must, upon the request of the Seller, complete and and/or periodically update as required by Seller a credit application on a form prepared by the Seller, and all Buyers agree to adhere to the terms and conditions stated in such application. Seller makes no assurance or guarantee regarding any amount of credit or the continuation of such credit to Buyer. If Seller provides Buyer with a line of credit to facilitate purchases of Product, such credit line may be amended, decreased or terminated at any time at Seller's reasonable discretion. If Seller determines that the creditworthiness or future performance of Buyer is impaired or unsatisfactory, Seller may in addition to its other rights and remedies (i) suspend deliveries of Product, (ii) require prepayment by wire transfer of immediately available funds at least three (3) days prior to a scheduled shipment of Product.

Seller reserves the right, at any time, to Set-off against any amount that Seller owes to Buyer under any agreement(s) between such parties. "Set-off" means set-off, offset, combination of accounts, netting of dollar amounts of monetary obligations, right of retention or withholding or similar action exercised by Seller.

15. DEFAULT. Upon the occurrence of any of the following events: (i) the failure by Buyer to provide payment when due, and such failure shall remain uncured for a period of five (5) days; (ii) the failure of Buyer to perform any other required obligation and such failure is not excused or cured within ten (10) days after written notice thereof; or (iii) the occurrence of a Bankruptcy Event, then Seller, in its sole discretion and without prior notice to Buyer, may do any one of more of the following: (a) suspend its performance; (b) cancel any orders or other sales agreed between Buyer and Seller, whereby any and all obligations of Buyer, including payments or deliveries due, will, at the option of Seller, become immediately due and payable or deliverable, as applicable; and/or (c) Set-off against any amount that Seller and its affiliates owes to Buyer and its affiliates under any agreement between such parties. The foregoing rights, shall be cumulative and alternative and in addition to any other rights or remedies to which Seller may be entitled including at Law or in equity. In addition, Seller shall be entitled to recover from Buyer all court costs, attorneys' fees and expenses incurred by Seller in connection with Buyer's default, and interest on past due amounts at the rate specified in Section 14, hereof. "Bankruptcy Event" means the occurrence of any of the following events with respect to Buyer or any Performance Assurance provider for Buyer; (i) filing of a petition or otherwise commencing, authorizing or acquiescing in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar Law; (ii) making of an assignment or any general arrangement for the benefit of creditors; (iii) having a bankruptcy petition filed against it and such petition is not withdrawn or dismissed within thirty (30) days after such filing; (iv) otherwise becoming bankrupt or insolvent (however evidenced); (v) having a liquidator, administrator, custodian, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets; or (vi) being generally unable to pay its debts as they fall due.

16. GOVERNING LAW/VENUE FOR DISPUTES. The validity, performance, construction, and effect and all matters arising out of or relating to the Agreement shall be interpreted in accordance with the Laws of the State of South Carolina, without regard to its conflicts of law rules. The United Nations Convention on Contracts for the International Sale of Goods or any subsequently enacted treaty or convention shall not apply or govern the Agreement or the performance thereof or any aspect of any dispute arising therefrom. Any action or proceeding between Buyer and Seller relating to the Agreement shall be commenced and maintained exclusively in the state or federal courts in Greenville, South Carolina, and Buyer submits itself unconditionally and irrevocably to the personal jurisdiction of such courts. BUYER AND SELLER EACH WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY SUIT, ACTION, CLAIM OR PROCEEDING RELATING TO THE AGREEMENT.

17. AMENDMENT. All technical advice, services and recommendations by Seller are intended for use by persons having skill and know-how, and are accepted by Buyer at its own risk and Seller does not assume responsibility for results obtained or damages incurred from their use. No statements or agreements, oral or written, not contained herein or in a future amendment hereto executed by both parties will vary or modify the terms hereof. Neither party shall claim any amendment, modification or release of any provisions hereof unless the same is in writing and such writing: (i) specifically refers to these Terms; (ii) specifically identifies the term amended; and (iii) is signed by duly authorized representatives of Seller and Buyer.

18. NOTICES. All notices, consents, communications or transmittals under the Agreement shall be in writing and shall be deemed received on the day of delivery if delivered by hand, by nationally recognized overnight courier or delivery service, or by facsimile (with written confirmation of the completed transmittal); or within three (3) business days if mailed by United States mail as certified or registered mail with return receipt, postage prepaid, addressed to the party to whom such notice is given at the address of such party.

19. INTERPRETATION OF THIS AGREEMENT

(a.) NO ORAL MODIFICATION. None of Seller's employees or agents has any authority to orally modify or alter in any way these Terms.

(b.) REPEATED SALES AND PRIOR COURSE OF DEALINGS IRRELEVANT. Regardless of how many times Buyer has purchased Products from Seller, each time Buyer places an order, Buyer agrees they are entering a separate agreement that shall be interpreted without reference to any other agreement between Buyer and Seller, or what Buyer may claim to be a course of dealing that has arisen between Buyer and Seller.

20. MISCELLANEOUS. These Terms, unless otherwise expressly agreed in writing between Seller and Buyer, apply to every sale by Seller and are included in each acceptance by Seller of any Buyer's offer to purchase. If Buyer offers to purchase products from Seller by use of its own

purchase order or similar form, any terms proposed anywhere therein which add to, vary from, or conflict with these Terms are objected to by Seller and expressly rejected. Seller reserves the right to change any provision of these Terms at any time, without prior notice.

These Terms do not create a distribution relationship or contract, exclusive or otherwise, nor will such a relationship or contract be inferred from any course of dealing between Seller and any of its Buyers who purchase products under these Terms. Seller, and any Buyer who purchases products from it, are without penalty to cease doing business with the other at any time, for any reason and whatsoever and without notice, unless otherwise provided in a separate, written contract signed by an officer of Seller and the Buyer.

The captions and section headings set forth in these Terms are for convenience only and shall not be used in defining or construing any of the terms and conditions herein. Waiver by either party of any breach of the terms and conditions contained herein will not be construed as a waiver of any other or continuing breach. The invalidity or unenforceability of any provision hereunder shall not affect the validity or enforceability of its other provisions. No course of dealings, course of performance, or usage of trade shall be considered in the interpretation or enforcement of these terms.