

SUMITOMO (SHI) DEMAG PLASTICS MACHINERY NORTH AMERICA, INC.

TERMS AND CONDITIONS OF PURCHASE

- 1. Acceptance.** This purchase order is an offer by the company identified on the face of the purchase order (the "Buyer") for the purchase of goods ("Goods") or services ("Services") specified, from the party to whom the purchase order is addressed (the "Seller") in accordance with and subject to these terms and conditions (the "Terms", together with the terms and conditions on the face of the purchase order, (the "Order"). The Order will be deemed accepted by the Seller upon the first of the following to occur: (a) Seller making, signing or delivering to Buyer any letter, form or other writing or instrument acknowledging acceptance, (b) any performance by Seller under the order, or (c) the passage of ten (10) days after Seller's receipt of the Order without written notice to Buyer that Seller does not accept. This Order, together with any documents incorporated herein by reference (including, but not limited to, applicable drawings and specifications), constitutes the sole and entire agreement of the parties with respect to the Order and supersedes all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral, with respect to the subject matter of the Order, unless a separate overriding agreement has been entered into and executed by the parties. The Order expressly limits Seller's acceptance to the terms of the Order. These terms expressly exclude any of Seller's terms and conditions of sale or any other document issued by Seller in connection with the Order.
- 2. Delivery.** Seller shall deliver the Goods and/or perform the Services at the delivery point (the "Delivery Location") and on the date(s) specified in this Order (the "Delivery Date"). If no delivery date is specified, Seller shall deliver in full within a reasonable time following receipt of the Order. Timely delivery is of the essence. If Seller fails to deliver the Goods or Services in full, on the Delivery Date, Buyer may terminate the Order immediately and Seller shall indemnify Buyer against any losses, damages, and reasonable costs and expenses attributable to Seller's failure to deliver.
- 3. Inspection.** Buyer reserves the right to inspect the Goods on or after the Delivery Date. Buyer, at its sole option, may reject all or any portion of the Goods if it determines the Goods are defective or nonconforming. If Buyer requires replacement of the Goods, pursuant to Section 4, Seller shall promptly replace the nonconforming Goods. If Seller fails to timely replace the nonconforming Goods, Buyer may replace them with Goods from a third party and charge Seller the cost thereof and terminate this Order for cause pursuant to Section 8. Any inspection or other action by Buyer under this Section shall not affect Seller's obligations under the Order, and Buyer shall have the right to further inspect after Seller takes remedial action. Goods rejected and Goods supplied in excess of quantities ordered may be returned to Seller at Seller's expense.
- 4. Cumulative Remedies.** The rights and remedies under this order are cumulative and are in addition to any other rights and remedies available at law or in equity or otherwise. If Seller is in breach of the warranties specified in Section 9., Seller will, at its sole expense, replace or repair the Goods or re-perform the Services to Buyer's satisfaction.
- 5. Price and Payment.** The price of the Goods and Services is the price stated on the face of this Order (the "Price"). Seller shall invoice Buyer for the Order within thirty (30) days of delivery. Unless otherwise stated in the Order, Buyer shall pay all properly invoiced amounts due to Seller 2% 10 days, net Sixty (60) days after receipt of such invoice, except for any amounts disputed by Buyer. Cash discount periods shall be

computed from either the date of actual delivery of the Goods or the date an acceptable invoice is received. The parties shall seek to resolve all such disputes expeditiously and in good faith. Seller shall continue to perform its obligations under the Order notwithstanding any such dispute. Without prejudice to any other right or remedy, Buyer reserves the right to set off any amount owing to it by Seller against any amount payable by Buyer to Seller. Payment of an invoice is not evidence or admission that the Goods or Services meet the requirement of the Order.

- 6. Shipment and Packaging.** Unless otherwise agreed to in writing by the parties, all prices and shipments will be F.O.B., Delivery Location. Seller shall be solely responsible for and pay, all costs of delivering the Goods to the Delivery Location, including without limitation, all shipping and freight costs and all duties, fees, tariffs or similar analogous taxes on import/export of the Goods, as well as boxing, packing or returnable containers, unless stated in the Order. Seller shall not substitute material or ship more than the quantity ordered. Title and risk of loss shall not pass to Buyer until the delivery of Goods to the Delivery Location. If Buyer rightfully rejects the Goods, receives a nonconforming tender or revokes acceptance, risk of loss shall be deemed to have remained with Seller. All shipments must be packed in a manner suitable for protection in shipment and storage. The responsibility for freight damaged Goods will be assumed by Seller. No charges for unauthorized transportation will be allowed. Any unauthorized shipment, which will result in excess transportation charges must be fully prepaid by Seller.
- 7. Change Order.** Buyer may from time to time, initiate changes by issuing to Seller written notice (each, a "Change Order"), that alter, add to or deduct from the Goods or Services, but that are otherwise subject to the terms of this Order. Buyer further reserves the right to make changes to the Order with respect to specifications, drawings, data incorporated therein, methods of shipment or packaging and place of delivery. Any equitable adjustment shall be made in the price or delivery schedule, or both, should such changes affect the Seller's cost of or time required for performance, provided Seller claims such adjustment within thirty (30) days after receipt of notice of the change. No additional charge or extension of time for performance will be allowed unless authorized in writing by Buyer. Seller shall promptly comply with the terms of any Change Order.
- 8. Termination.** Buyer may terminate for convenience at any time by written notice to Seller, any Order for Goods or Services. Buyer shall pay for any Goods or Services that comply with these contract terms and the Order, received prior to the date of the termination notice. In addition to any other remedies provided at law or equity, either party shall have the right to terminate or cancel an Order, and any obligation to purchase, sell or provide Goods or Services, in the event the other party (i) fails to comply with any material condition of the Order or these Terms, and such failure is not remedied within thirty (30) days after written notice thereof has been given to such other party; or (ii) becomes insolvent, makes an assignment for the benefit of creditors, suffers or permits the appointment of a receiver, trustee in bankruptcy or similar officer for all or part of its business or assets; or (iii) avails itself of or becomes subject to any bankruptcy proceeding under the laws of any jurisdiction relating to insolvency or the protection of the rights of creditors.
- 9. Warranties.** Seller represents and warrants that (a) all Goods will be new and not be used or refurbished, (b) all Goods and Services are free of any claim of any nature by any third party and that Seller shall convey clear title to Buyer, (c) all Services are performed in a manner acceptable in the industry and in accordance with generally accepted performance standards, are free from defects, are fit for the particular purposes for which they are acquired, and are provided in strict accordance with the specifications,

samples, drawings, designs or other requirements (including performance specifications) approved or adopted by Buyer, (d) all Goods sold will be of merchantable quality, free from all defects in design, material and workmanship, and fit for the particular purposes for which they are purchased and shall comply with all applicable laws, (e) the prices for the Goods or Services sold to Buyer under this Order are not less favorable than those currently extended to any other customer for the same or similar Goods and/or Services in equal or lesser quantities, and (f) that neither the sale nor use of the Goods will infringe any copyright, trademark, trade name, registered design or other intellectual property right of any third party. All Seller warranties herein or implied by law and indemnities shall run both to Buyer and, if applicable, to its end user customers. Buyer's test, inspection, acceptance, payment for or use of the Goods or Services shall not affect Seller's obligations under these warranties. Seller shall replace or correct, at Buyer's option, and at Seller's sole expense, defects of any Goods or Services not conforming to these warranties. If Seller fails to correct defects in or replace nonconforming Goods or Services within ten (10) days from the date the Buyer notifies Seller of the defect or defects, Buyer may, on ten (10) days' prior written notice to Seller, either (i) make such corrections or replace such Goods and Services and charge Seller with all costs incurred with respect thereto, or (ii) revoke its acceptance of the Goods or Services in which event Seller shall be obligated to refund the Price and make all necessary arrangements, at Seller's cost, for return of the Goods to Seller.

Software – If applicable to any Goods, Seller warrants that it will grant to Buyer a perpetual, non-exclusive, non-revocable, paid-up license, to use any software and/or firmware integral to any Goods or Services.

- 10. Indemnification.** Except to the extent caused by or resulting from the acts or omissions of Buyer, its agents or employees or other Indemnities, Seller shall indemnify and hold Buyer and its parent company, shareholders, officers, directors, customers, agents, employees and affiliates ("Indemnities") harmless from and against any and all claims, demands, litigation, or proceedings of whatever kind, including, but not limited to, those related to the bodily injury, including death, of any person, destruction or damage to property or related to infringement of intellectual property rights, whether based on negligence, breach of expressed or implied warranty, strict liability, violation of any applicable laws, or contamination of the environment and any associated clean up costs, or any other theory, and from and against all incidental, special, exemplary or consequential damages of any kind whatsoever, arising out of or in any way connected with the Goods or Services, including the design, manner of preparation of manufacture, construction, completion, delivery or non-delivery of any Goods and/or Services by Seller, any breach by Seller of its obligations hereunder, or any other act, omission or negligence of Seller or any of Seller's employees, agents, or suppliers with respect thereto. Seller shall, on request, pay or reimburse Buyer or any other person entitled to indemnification hereunder for all costs and expenses, including reasonable attorneys' fees, as incurred by Buyer or such other party in connection with any such claim, demand, litigation, proceeding, loss or damage as specified above. In addition, for infringement claims, Seller will at its own expense and at Buyer's option, either procure for Buyer the right to continue to use the allegedly infringing item, replace it with a non-infringing equivalent, or remove it and refund the Price and the transportation and installation costs thereof, if any.
- 11. Limitation of Liability.** IN NO EVENT SHALL BUYER BE LIABLE TO SELLER OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF, OR IN CONNECTION WITH ANY ORDER OR THESE CONTRACT TERMS, WHETHER OR NOT BUYER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

- 12. Confidential Information.** All non-public, confidential or proprietary information of the Buyer and Seller, including, but not limited to, specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, pricing, discounts or rebates, disclosed by either party to the other, whether disclosed orally or disclosed or accessed in written, electronic or other form or media, and whether or not marked designated or otherwise identified as “confidential”, in connection with an Order, is confidential, solely for the use of performing the Order and may not be disclosed or copied unless authorized by the disclosing party in writing. Upon the disclosing party’s request, the receiving party will return all documents and other materials received from the disclosing party. A disclosing party shall be entitled to injunctive relief for any violation of this Section. This Section shall not apply to information that is: (a) in or lawfully becomes part of the public domain, (b) rightfully and legally known to the receiving party at the time of disclosure, (c) rightfully and legally obtained by the receiving party from a third party, not in violation of an obligation of confidentiality to the disclosing party, or (d) developed by the receiving party, independent of information received from the disclosing party.
- 13. Insurance.** Seller shall, at its own expense, maintain and carry insurance in full force and effect with financially sound and reputable insurers, which include: (a) comprehensive commercial general liability (including product liability and contractual coverage insuring the liabilities assumed in this Order) in a sum no less than \$1,000,000 for each occurrence and \$2,000,000 in the aggregate; (b) workers’ compensation insurance in compliance with the applicable laws of each jurisdiction affected by the Order; (c) if Seller will use or provide for the use of motor vehicles in providing and/or performing the Order, automobile (motor vehicle) insurance covering all liabilities for personal injury and property damage arising from the use of such vehicles, with limits of no less than \$1,000,000. Upon Buyer’s request, Seller shall provide Buyer with a certificate of insurance evidencing the coverage specified in this Order, with waiver of subrogation, naming Buyer as an additional named insured and containing a covenant that such coverage shall not be cancelled unless ten (10) days prior written notice has been provided to Buyer.
- 14. Compliance with Law.** Seller warrants and represents to Buyer that it is in compliance with and shall remain in compliance during performance of this Order and shall ensure such compliance by its employees, agents, contractors and subcontractors (the “Personnel”) with the applicable provisions of all federal, state or local laws, regulations and ordinances and all related lawful orders, rules and regulations (“Laws”) and all Goods and Services supplied hereunder have been produced and provided in compliance with the Laws. Seller shall be required to obtain and pay for any license, permit, inspection or listing by any government body or certification organization required in connection with the manufacture and performance, completion or delivery of any Goods or Services supplied under this Order. Seller assumes all responsibility for shipment of Goods requiring any government import clearance. If Seller fails to comply with the laws, orders, rules, ordinances and regulations and as a result Buyer is fined, Seller agrees to pay the fine and costs incident thereto or reimburse Buyer for payment. To the extent that Seller’s Personnel are required to enter Buyer’s site or property, Seller shall ensure that Personnel comply with Buyer’s health, safety and environmental policies and standards.
- 15. Taxes.** Unless specified otherwise on the face of the Order, the prices are inclusive of, and Seller shall be solely responsible for and pay all federal, state and local taxes including, but not limited to, value added tax, goods and service tax, sales, use or consumption tax. No sales or use tax will be added, when a valid tax exemption is indicated on the face of this Order by the Buyer.

- 16. Force Majeure.** Neither party shall be liable to the other for any delay or failure in performing its obligations under the Order to the extent that such delay or failure is caused by an event or circumstance that is beyond the reasonable control of that party, without such party's fault or negligence, and which by its nature could not have been foreseen by such party ("Force Majeure Event"). Force Majeure Events include, but are not limited to, acts of God or the public enemy, government restrictions, flood, fire, earthquakes, explosion, epidemic, war, invasion, terrorist acts, riot, strike or embargoes. Economic hardship or changes in market conditions are not considered Force Majeure Events. The party affected by the Force Majeure Event shall use all diligent efforts to end the failure or delay of its performance, ensuring that the effects of any Force Majeure Event are minimized and resume performance of the Order. If a Force Majeure Event prevents a party from performance for a continuous period of more than fifteen (15) business days, the other party may terminate this Order immediately by giving written notice to the other party.
- 17. Waiver and Release of Liens.** Upon Seller's receipt of amounts properly invoiced and due, Seller waives and releases all rights to, for itself and its subcontractors, and at its sole cost shall obtain prompt removal of any lien filed against Buyer, for Goods or Services performed under this Order.
- 18. Relationship of the Parties.** The Seller is an independent contractor of Buyer. Nothing contained herein shall be construed as creating any agency, partnership, employment or fiduciary relationship. Neither party shall have the authority to bind the other party in any manner whatsoever. This Order is a non-exclusive agreement. Buyer is free to engage others to perform Services or provide Goods, the same as or similar to Seller's. Seller is free to advertise, offer and provide Seller's Services and/or Goods to others, provided that Seller does not breach these contract terms and its obligations under the Order.
- 19. Delivery Schedule.** Unless otherwise agreed to in writing, Seller will not make material commitments or production arrangements in excess of the amount or in advance of the time necessary to meet Buyer's desired delivery schedule. Goods shipped to Buyer in advance of schedule may be returned to Seller at Seller's expense. Buyer hereby reserves the right to reschedule any delivery or Order issued at any time prior to shipment of the Goods or commencement of any Services. Buyer shall not be subject to any charge or other fees as a result of such rescheduling unless otherwise agreed to in writing by the parties.
- 20. Buyer's Purchase Obligation.** Except as otherwise specifically required by the terms of an Order or written agreement of the parties, Buyer shall have no obligation to request quotations or place Orders with Seller, both of which will be in Buyer's sole discretion. Buyer acting in its sole discretion will determine the actual quantity of goods and services to be purchased. The quantity of Goods or Services, if any, specified in forecasts supplied by Buyer from time to time, or otherwise is an estimate only and shall not be deemed an obligation to purchase any Goods or Services. Seller bears sole responsibility for managing Seller's raw material, work in process, and inventory, and Buyer will have no liability with respect thereto (whether upon termination of an Order or otherwise), other than as agreed to in writing by the parties.
- 21. Documentation.** It is agreed that all technical documentation and other literature for the proper use of the Goods or Services will be provided to Buyer with the Goods or Services, and its cost is included in the price.

22. **Governing Law.** All matters arising out of or relating to an Order and these contract terms shall be governed by and construed in accordance with the internal laws of the State of Ohio, excluding its choice or conflict of law rules. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of the federal and/or state courts in the State of Ohio.
23. **Notices.** All notices, consents, claims, demands, waivers and communications hereunder (each a "Notice") shall be in writing and addressed to the parties at the addresses set forth on the face of the Order or to such other address as may be designated by the receiving party in writing. All notices shall be delivered by personal delivery, nationally recognized overnight carrier (all fees prepaid), facsimile (with confirmation of transmission) or certified or registered mail (return receipt requested, postage prepaid). A Notice is effective only upon receipt of the receiving party, and if the party giving Notice has complied with the requirements of this Section 23.
24. **Inconsistent Terms.** The terms found on the face of an Order shall govern over the terms and conditions herein. Any separate written overriding agreement signed by both parties shall govern over the Order to the extent of a conflict.
25. **Services.** Any Seller that may perform Services represents itself as qualified and able to perform. Seller shall perform Services pursuant to the industrial standard of care. Buyer will furnish materials, equipment and machinery only if and to the extent set forth in the Order. Seller will report immediately to the Buyer any event or circumstance, which Seller knows or reasonably expects, is, or results from, violation of Buyer's policies or law set forth herein. Seller will, at its sole cost and expense, repair or replace any real or personal property belonging to Buyer that Seller, its employees or agents may damage, destroy or remove while performing or result from performing the Order.
26. **Tools and Equipment.** All tangible or intangible property of any nature furnished by Buyer to Seller or specifically paid for by Buyer, shall be the sole property of Buyer ("Property") and unless otherwise agreed in writing by Buyer, will be used by Seller solely to render service or provide goods to Buyer. While in Seller's custody or control, such Property will be held at Seller's risk, will be kept insured by Seller at its expense for its replacement cost with loss payable to Buyer, and will be subject to removal at Buyer's written request, in which event Seller will prepare the Property for shipment and delivery to Buyer in the same condition as originally received by Seller, reasonable wear and tear accepted, all at Seller's expense.
27. **Purchase of Discontinued Products.** In the event Seller discontinues the production or supply of particular products, it will provide Buyer with six (6) months' prior written notice of the same. Seller shall continue to supply Buyer with such products either (i) for Orders received by it prior to the end of such six (6) month period or, (ii) if applicable, pursuant to an existing overriding written supply agreement executed by the parties ("Agreement"), until the end of its specified term ("Existing Term"). For a period of three (3) months following the end of the completion of the last Order under (i) above or the Existing Term, whichever is applicable, Seller shall provide Buyer with the opportunity on a one-time basis (or as otherwise agreed to by the parties), to purchase quantities up to the amount of Seller's remaining inventory of the discontinued product(s) at the prices agreed to by the parties, but in no event higher those paid pursuant to the latest Order or Agreement, whichever is lower.
28. **Purchase Rebates.** Products purchased but not delivered as scheduled under an Order or separate agreement executed by the parties because of the acts or omissions of Seller,

its agents or employees, shall be deemed to have been delivered for purposes of the calculation of the rebate/discount that Buyer is entitled to.

29. **Severability.** If any terms or provision of the Order is found invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term of the Order or invalidate or render unenforceable such term in any other jurisdiction.
30. **Survival.** Provisions of the Order, which by their nature should apply beyond any termination of the Order, will survive the expiration or termination of the Order for the period expressed within the Section or otherwise for a period of up to two (2) years.
31. **Entire Agreement.** The Order and the contract terms and conditions contained herein, are the complete, final and exclusive statement of the agreement between the parties and supersede any and all other and prior and contemporaneous negotiations and agreements, whether oral or written, between them related to the subject matter hereof.
32. **Miscellaneous.** Seller shall not assign, transfer, delegate or subcontract any of its rights or obligations under the Order without Buyer's written consent. Any purported assignment or delegation in violation of this Section shall be null and void. No assignment shall relieve Seller of its obligations hereunder. The Order shall inure to the benefit of Buyer, its successors and assigns without restriction. No modification, alteration or amendment of the Order shall be binding unless agreed to in writing and signed by Buyer. No waiver by any party of any of the provisions of the Order shall be effective unless explicitly set forth in writing signed by the party so waiving. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from the Order by Buyer shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, or privilege hereunder, preclude any other exercise of any additional right, remedy or privilege.