

TERMS AND CONDITIONS OF SALE

All quotations and sales are subject to the following terms and conditions:

1. Offer and Acceptance. Buyer has offered to purchase from Plastics One, Inc. ("Seller") the products ("Goods") described on the attached quote and/or sales order. These terms and conditions and any attached quote and/or sales order are hereafter referred to collectively as the "Acknowledgement." Seller's acceptance of this offer is expressly conditioned upon Buyer's assent to the exclusive terms and conditions set forth herein. If the Acknowledgement is submitted in response to a purchase order or other written or oral offer of the Buyer to purchase the Goods, to the extent that the Buyer's offer contains material conflicts, differences or additions (collectively, the "Conflicting Terms"), the Acknowledgement shall be considered a counteroffer to sell the Goods to Buyer under the terms and conditions herein contained, and any Conflicting Terms shall be void and of no force or effect and shall be deemed rejected and objected to by Seller without further notice. Buyer's acceptance of any such counteroffer is exclusively limited to the terms and conditions set forth herein, which shall be deemed accepted unless Buyer makes written objection within five (5) days.

2. Payment. Unless otherwise provided in writing, Buyer shall pay fifty percent (50%) of the invoice amount within ten (10) days of the invoice date. The remaining balance shall be due in full within thirty (30) days of the invoice date. If the credit of Buyer is impaired at any time, in the sole discretion of Seller, Seller may require payment in advance before further shipment.

3. Shipment; Delays. All prices are FOB Seller's platform and do not include any shipping charges. Risk of loss and title to all Goods furnished by Seller shall pass directly to Buyer at the FOB point of shipment. Shipping dates are estimated and under no circumstances does Seller guarantee date of shipment. Seller is not liable to the Buyer for any production or delivery delay or for any damages suffered by Buyer due to such delay, if such delay is, directly or indirectly, caused by war, acts of God, fires, floods, accidents, labor disputes, civil disturbances, action of government, shortages or failure of supply of labor, fuel, materials or equipment, transportation delays, or other causes beyond Seller's control. In the event any of the above contingencies occurs, Seller may cancel this Acknowledgement or any part thereof without any resulting liability.

4. Compliance. Buyer agrees that Seller may ship ten percent (10%) more or less than the quantity of Goods ordered and that such shipment shall constitute acceptable delivery. Buyer shall accept and pay for the actual quantity of Goods delivered on a pro-rata price basis.

5. WARRANTY; EXCLUSION OF WARRANTIES.

THERE ARE NO EXPRESS WARRANTIES HEREUNDER, EXCEPT THAT THE GOODS WILL, AT THE TIME OF SHIPMENT, BE FREE FROM DEFECTS IN MATERIAL AND WORKMANSHIP. ALL IMPLIED WARRANTIES (INCLUDING, BUT NOT BY WAY OF LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) ARE HEREBY EXCLUDED AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE DESCRIPTION ON THE FACE HEREOF.

6. BUYER'S REMEDY.

THE PARTIES AGREE THAT THE BUYER'S EXCLUSIVE REMEDY SHALL BE REPAIR, REPLACEMENT OR CREDIT, AT THE SOLE OPTION OF SELLER. IN NO EVENT SHALL SELLER BE LIABLE OR RESPONSIBLE FOR ANY COSTS, DAMAGES, LOST PROFITS, LIQUIDATED DAMAGES OR PENALTIES OR FOR OTHER DIRECT, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, NOR FOR ANY CLAIM AGAINST BUYER BY ANY THIRD PARTY, NOR FOR ANY AMOUNT IN EXCESS OF THE PURCHASE PRICE OF ANY DEFECTIVE GOODS.

7. Cancellation. Buyer cannot cancel an order accepted by Seller and cannot return non-defective Goods without Seller's written consent and upon terms indemnifying Seller against loss. There shall be no cancellation of orders for Goods built to Buyer's specifications after preparation for manufacture/assembly begins. There shall be no return of non-defective Goods manufactured to Buyer's specifications.

8. Taxes, Duties and Licenses. Buyer agrees to pay any and all applicable federal, state and local taxes (domestic and foreign) to which the Goods may be subject, including, without limitation, excise taxes, sales taxes, value-added taxes and use taxes, duties and license fees.

9. Claims. ALL SALES ARE FINAL. In no case are Goods to be returned without first obtaining Seller's written permission. Failure to make written claims for defects, damage or shortages within ten (10) days after delivery shall constitute Buyer's irrevocable acceptance of the Goods and admission that the Goods fully comply with the terms, conditions and specifications of the Acknowledgement.

10. Limitations on Actions. Any action brought against Seller must be commenced within one (1) year of the date of accrual of the cause of action, or it shall be barred.

11. Seller's Remedies. In the event of any breach or default by the Buyer, Seller may pursue any of the following remedies, none of which are exclusive: (a) terminate or cancel the Acknowledgement; (b) retain any down payment made by the Buyer and apply it first in reduction of damages to the extent of and as an offset to such damages, and second, to the reduction of any other indebtedness of the Buyer to Seller, and (c) pursue any other remedies available at law or in equity. If Seller incurs expenses, including, without limitation, court costs, expenses and attorneys' fees, in attempting to collect any amount owed or to enforce any term or condition of the Acknowledgement, then Buyer agrees to pay to Seller, in addition to any other sums owed or relief sought, all such expenses to the fullest extent permitted by law.

12. Indemnity. Buyer shall indemnify, save and hold harmless Seller from any and all loss, cost, expenses and damages, including reasonable attorneys' fees, on account of any and all manner of claims, demands, actions and proceedings, concerning any Goods sold, that may be instituted against Seller: (a) alleging infringement for Goods made to Buyer's specification; (b) arising out of the change to, or alteration of the Goods by Buyer or any third party; (c) involving the use by Buyer or any third party of the Goods in a manner or application not normally intended by Seller; or (d) involving any negligence whatsoever on the part of the Buyer or any third party.

13. Non-Waiver. No waiver by Seller of any breach of the Acknowledgement shall operate as a waiver of such breach, or of any subsequent breach thereof.

14. Severability. If any portion of the Acknowledgement shall be held invalid, those parts of the Acknowledgement that are not held invalid shall continue in full force and effect.

15. Choice of Law. The Acknowledgement, any offer by the Buyer and any matter related thereto shall be governed by the laws of the Commonwealth of Virginia, without regard to principles of conflict of laws. Any action, suit, or other legal proceeding which is commenced to resolve any matter arising under or relating to the Acknowledgement or this transaction shall be commenced and prosecuted only in a state or federal court located in Roanoke, Virginia.

16. Credit. The extension of credit or the acceptance of a check, note, trade acceptance or guarantee of payment shall not affect any of Seller's rights hereunder and Buyer agrees Seller may change credit terms at any time.

17. Tools and Equipment. All tools, dies, jigs, gauges, fixtures, patterns, molds or other equipment used by Seller in producing Goods shall remain the property of Seller, unless provided otherwise in writing.

18. Entire Agreement, Assignment and Modification. The Acknowledgement, which exclusively sets forth the rights and obligations of the parties, (a) constitutes the final and entire agreement between the parties, superseding all prior written or oral communications between the parties, and (b) may not be modified or assigned except in a writing signed by both parties.

19. Authorization. Each person signing this Acknowledgement on behalf of Buyer represents and warrants that such person has full authority to do so and that this Acknowledgement binds the respective Buyer.

Agreed For: _____ (Name of Buyer)

By: _____ (sign here) **Date:** _____

Name: _____

Title _____