



STANDARD TERMS AND CONDITIONS OF SALE

1. ACCEPTANCE.

This order made by you the purchaser (the "Purchaser") is accepted by the seller, REFLEX PRINTED TECHNOLOGY INC., a California corporation, (the "Company"), on and subject to the following terms and conditions (the "Terms" or this "Agreement"), which terms and conditions may not be varied or added to except by a writing signed by the Company's duly authorized officer. Any terms in the Purchaser's order acknowledgment or confirmation (the "Order Confirmation") which are inconsistent herewith shall not be binding upon the Company.

2. TERMS.

All orders will be accepted at time of shipping and invoicing and will be billed at the price prevailing at the time of shipment of the goods and in accordance with Section 3 of this Agreement. The terms of payment will be set forth on the face of the invoice and in accordance with Section 8 of this Agreement.

3. PRICES.

All price quotes are calculated from costs available to the Company at the date of such quotation and include delivery, unless otherwise agreed in writing, but are exclusive of sales tax and, in the case of palletised deliveries, those additional charges which may be payable as set forth herein. Any price quote provided by the Company shall not constitute an offer and shall be valid for a period of thirty (30) days only or for such other period of time as agreed in writing by the Purchaser and the Company. If there is an increase in such costs to the Company including, but not limited to foreign exchange fluctuations, increases in taxes and duties, increases in labor, materials and other manufacturing costs, between the date of quotation and the date of acceptance, then the Company may increase the quoted price accordingly by giving written notice to the Purchaser of such increase. All preliminary work carried out at the Purchaser's request, whether experimentally or otherwise, shall be charged unless agreed otherwise in writing. Proofs of all work may be submitted for the Purchaser's approval and the Company shall incur no liability for any errors not corrected by the Purchaser irrespective of whether the proofs were supplied physically or electronically. Where proofs are provided by the Company to the Purchaser, any of the Purchaser's alterations and additional proofs necessitated thereby may incur additional charges.

4. PURCHASER'S OBLIGATIONS. THE PURCHASER SHALL:

- (a) ensure that the terms of each Order Confirmation are complete and accurate;
- (b) co-operate with the Company in all matters relating to the supply of the goods and/or services pursuant to the Order Confirmation;
- (c) provide the Company with such information and materials as the Company may reasonably require to perform its obligations in connection with this Agreement and ensure that such information is accurate in all material respects;
- (d) to the extent necessary, prepare the place of delivery for the delivery of the goods; and
- (e) obtain and maintain all necessary licenses, permissions and consents which may be required for the goods and/or services before the date on which the goods are ordered and/or the services are to commence.

5. FREIGHT.

All shipments are F.O.B. factory, Shipping Point, unless otherwise set forth in the Order Confirmation. All risk of loss or damage to the goods shall pass to the Purchaser upon delivery of the goods to a common carrier, whether sold with freight allowed or otherwise. The Company reserves the right to ship goods via the most

economical routing; if shipped otherwise upon the Purchaser's request, Purchaser shall pay the difference in rate of transportation.

6. DELIVERY.

The following terms shall govern the delivery of all goods by the Company to the Purchaser.

- (a) If the Purchaser fails to take delivery at the time required by this Agreement, the Company shall be entitled, without prejudice to any other rights it may have whether under these Terms or otherwise to invoice the Purchaser for the goods whereupon payment in full shall become due forthwith, or to treat this Agreement as at an end and to resell the goods (and in either case to charge at rates giving an economic return for the handling and storage of goods from the invoice date to the eventual date of delivery to the Purchaser or disposal elsewhere (as the case may be)).
- (b) The Purchaser shall be liable to pay any premium in respect of the insurance of such goods from the date of delivery.
- (c) Any agreed delivery date or any date of delivery given by the Company or carrier to the Purchaser shall be an estimate only. The Company shall not be liable for any delays, loss, or damage in transit and Purchaser should contact the carrier to confirm delivery.
- (d) Any delay in delivering the goods shall not entitle the Purchaser to terminate or rescind the Order Confirmation.
- (e) If the goods are delivered to the delivery address before any agreed or estimated delivery date, the Purchaser shall be bound to accept delivery of the goods.
- (f) The Purchaser will provide, at its own expense at the delivery address, adequate and appropriate equipment and manual labor for unloading the goods.
- (g) The quantity of any consignment of goods as recorded by the Company upon dispatch from the Company's place of business shall be conclusive evidence of the quantity received by the Purchaser on delivery, unless the Purchaser can prove otherwise.
- (h) Any liability of the Company for non-delivery of the goods shall be limited to replacing the goods within a reasonable time or issuing a credit at the pro rata rate against any invoice issued for such goods.
- (i) Where palletised deliveries are requested or necessary, pallets and other packaging and delivery materials may be charged as an extra expense at the Company's standard rates, which the Purchaser shall pay in addition to the price of the goods.
- (j) The means of transportation used by the Company for delivery to the Purchaser shall be in accordance with any applicable legal or regulatory requirements and otherwise wholly and entirely within the discretion of the Company.
- (k) The Company may deliver the goods by separate installments. Each separate installment shall be invoiced and paid for in accordance with the provisions of the Order Confirmation. Each installment shall be a separate agreement, and no cancellation or termination of installment shall entitle the Purchaser to repudiate or cancel any other installment or related Order Confirmation. If goods are contracted to be delivered by installments, late delivery or non-delivery of one installment shall not entitle the Purchaser to reject any other installment under the Order Confirmation.
- (l) The Company will make reasonable efforts to manufacture and ship Purchaser's requested quantities of goods. Notwithstanding the foregoing, for standard products Purchaser will accept up to 10% over or under quantity specified in an Order Confirmation and for nonstandard products, this tolerance is increased to 20%.

7. RETENTION OF TITLE.

Goods shall remain the property of the Company as legal and equitable owner until payment of all sums due to the Company from the Purchaser on any account have been received in full by the Company in cleared funds. Until the property in the goods is vested in the Purchaser, the Purchaser shall not pledge and shall store

separately and mark the goods (at no cost to the Company) so that they are readily identifiable as the property of the Company and shall hold the goods on a fiduciary basis as agent for the Company; provided that the Purchaser may use the goods in the ordinary course of business so long as all proceeds received in connection therewith are held in trust for the Company. The Purchaser shall maintain the goods in a satisfactory and saleable condition, and at the Purchaser's own expense insure the goods for their full market price against all commercially reasonable risks. At any time before title to the goods passes to the Purchaser, the Company may, by notice in writing, terminate the Purchaser's right to sell or use the goods in the ordinary course of its business and require the Purchaser to return all goods in its possession that have not been resold, or irrevocably incorporated into another product.

8. PAYMENT.

The following terms shall govern payment for all goods and services by the Purchaser.

- (a) Unless otherwise agreed in writing by the Company, all sums due to the Company shall be paid within 30 days of the date of the invoice. If the Purchaser does not pay the whole sums due, on the due date, the Company may suspend delivery of goods and/or the performance of the services under any outstanding Order Confirmations with the Purchaser and/or charge interest at the rate of four per cent (4%) per annum over the US prime rate on any overdue amount, accruing on a daily basis, from the day following that on which payment was due until payment has been received in full.
- (b) No payment shall be deemed to have been received until the Company has received cleared funds.
- (c) Notwithstanding any other provision of this Agreement to the contrary, all payments payable to the Company under this Agreement shall become due immediately upon termination of this Agreement.
- (d) The Purchaser shall make all payments due under this Agreement without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Company has consented to a deduction in writing. The Company may, without limiting its other rights or remedies, set off any amount owing to it by the Purchaser against any amount payable by the Company to the Purchaser. The Company shall be entitled to recover payment for the goods notwithstanding that ownership of any of the goods has not passed from the Company.

9. TAXES.

All sales, excise or similar taxes which the Company may be required to pay or collect with respect to the goods covered by any Order Confirmation shall be paid by the Purchaser, except as otherwise provided by law.

10. WARRANTY.

The Purchaser assumes all risk and liability for results obtained by the use of the Company material and all goods and services, whether used singly or in combination with other products. For the avoidance of doubt, the Company is not responsible for the performance of materials which are

- (a) stored under conditions other than those specified on the Company shipping or carton label,
- (b) subjected to abuse, misuse, neglect, negligence, accident, abnormal physical stress or environmental conditions, use contrary to any instructions issued by the Company, or improper testing, installation, storage, handling, repair, or maintenance,
- (c) reconstructed or altered by anyone other than the Company or its authorized representative; or
- (d) used with any third-party product or hardware that has not been previously approved. The Company warrants that on the delivery of the goods, the goods shall conform in all material respects to their description. The Company will take reasonable efforts to conform with specified dimensions and quantities in accordance with an Order Confirmation, but no guarantee is given or implied except within normal trade tolerances.

The company makes no other warranty, express or implied and all other warranties including, without limiting the generality of the foregoing,

- (a) warranty of merchantability;**
- (b) warranty of fitness for a particular purpose; or**
- (c) warranty against infringement of intellectual property rights**

of a third party; whether arising by law, course of dealing, course of performance, usage of trade, or otherwise. The purchaser acknowledges that it has not relied upon any representation or warranty made by the company, or any other individual or entity on the company's behalf, except as specifically provided in this section of the agreement. Any express or implied statement condition or warranty statutory or otherwise not stated herein is hereby excluded and deemed to be inconsistent herewith and no responsibility is accepted by the company for any damaged or loss arising directly or indirectly from goods supplied or for any damage or loss arising by reason of any failure of the goods to comply with the specification or with statutory requirements. Under no circumstances shall the company be liable for special, indirect, incidental, or consequential damages or damage to other property, without limiting the generality of the foregoing, the company shall have no liability for loss of business, business interruptions, or lost profits, regardless of

- (a) whether such damages were foreseeable,**
- (b) whether the company was advised of the possibility of such damages, and**
- (c) the legal or equitable theory (contract, tort, or otherwise) upon which the claim is based. In no event shall the company's liability arising out of or related to this agreement, whether arising out of or related to breach of contract, tort (including negligence) or otherwise, exceed the amounts paid to the company pursuant to this agreement.**

11. CLAIMS.

All actions by the Purchaser for breach of warranty against the Company shall be brought within three (3) days of delivery of the goods. Any remedy of the Purchaser against the Company shall be barred unless notice is given in accordance with the foregoing provision. The Company shall be provided with a reasonable opportunity to examine any goods subject to a breach of warranty claim. If Company's examination reveals, to Company's reasonable satisfaction, that such goods do not conform with the limited warranty set forth herein, the liability of the Company for breach of warranty shall be limited solely to either the replacement of the goods or the return of the goods and repayment of the purchase price to the Purchaser at the Company's discretion; such remedy shall be the exclusive and sole remedy of the Purchaser against the Company. The Purchaser shall, at the request of the Company, return such goods to the Company's place of business at the Company's cost. The Purchaser has no right to return for repair, replacement, credit, or refund any goods except as set forth in this Section 11 and no return of goods will be accepted unless previously authorized in writing by the Company.

12. TERMINATION.

In addition to any remedies that may be provided under these Terms, the Company may terminate this Agreement with immediate effect upon written notice to the Purchaser, if the Purchaser:

- (i) fails to pay any amount when due under this Agreement after the Purchaser's receipt of written notice of nonpayment;
- (ii) has not otherwise performed or complied with any of these Terms, in whole or in part; or
- (iii) becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.

13. INTELLECTUAL PROPERTY.

The Purchaser shall indemnify and defend the Company against all claims for infringement or alleged infringement of a third party's Intellectual Property Rights and all liabilities, costs (including reasonable legal fees), expenses damages and losses suffered or incurred by the Company in connection with any claim made against the Company for actual or alleged infringement of a third party's Intellectual Property Rights arising out of or in connection with the supply of goods or services in accordance with the Purchaser's designs, plans and/or specifications. The Intellectual Property Rights in all drawings and designs produced by or on behalf of the Company in connection with this Agreement or the delivery of goods or services pursuant to any Order Confirmation shall remain the exclusive property of the Company. The Purchaser shall not

reproduce any drawings or designs produced by or on behalf of the Company in connection with this Agreement, whether in whole or in part. The Purchaser shall indemnify and defend the Company against all liabilities, costs, expenses, damages and losses suffered or incurred by the Company arising out of or in connection with any breach of this Section 13. The Company reserves the right to amend the goods if required by any applicable statutory or regulatory requirements.

"Intellectual Property Rights" means for purposes of this Section 13, all worldwide statutory or non-statutory legal rights in

- (i) trademarks, service marks, trade names, brand names, product names, logos and corporate names, slogans, product source identifiers, and other indicia of source of origin, whether in connection with products or services, whether or not registered, including all common law rights thereto and all goodwill associated therewith, and registrations and applications for registration thereof;
- (ii) copyrights, whether registered or common law, and registrations and applications for registration thereof, original works of authorship, derivative works and other copyrightable works of any nature and fixations of any of the foregoing, including the right to make derivative works and all other associated statutory rights;
- (iii) domain names and domain name registrations, websites and all social media platforms;
- (iv) all design and utility patents, designs, and design rights, including any issued registration or pending application therefor, reissues, divisions, continuations, continuations-in-part, reexaminations, renewals and substitutes thereof, foreign counterparts of the foregoing, term restorations or other extensions of the term of any issued or granted patents anywhere in the world;
- (v) trade secrets, know-how and proprietary information;
- (vi) all rights to any of the foregoing provided in, or by, international treaties and convention rights;
- (vii) the right and power to assert, defend and recover title to any of the foregoing;
- (viii) all rights to assert, defend and obtain all remedies, including recovering past damages and other remedies for past, present and future infringement, misuse, misappropriation, impairment, unauthorized use or other violation of any of the foregoing; and
- (ix) all administrative rights arising from the foregoing, including the right to prosecute applications and oppose, interfere with or challenge the applications of others, the rights to obtain renewals, continuations, divisions, reissues, reexaminations, and extensions of legal protection pertaining to any of the foregoing, and substitutes for any of the foregoing.

14. COMPLIANCE WITH LAW.

The Purchaser shall at all times comply with all laws applicable to this Agreement, the Purchaser's performance of its obligations hereunder, and the Purchaser's use of the goods. Without limiting the generality of the foregoing, the Purchaser shall

- (a) at its own expense, maintain all certifications, credentials, licenses, and permits necessary to conduct its business relating to the purchase or use of the goods and
 - (b) not engage in any activity or transaction involving the goods, by way of shipment, use, or otherwise, that violates any law.
- The Company shall not be required to print any matter which in its opinion is or may be of an illegal or libelous nature. The Company shall be indemnified and held harmless by the Purchaser in respect of any claims, costs (including reasonable legal fees), expenses, damages and losses arising out of any libelous matter. Where the goods supplied consist of containers, wrappers or other articles intended for use in connection with any food, drug or substance of a volatile or delicate nature, the Purchaser shall be responsible for ensuring that such food, drug or other substance is not or is not likely to be affected by any material used by the Company in the manufacturing of or printing of such containers, wrappers or other articles. The Company shall not be liable to the Purchaser in respect of any claim alleging that such food, drug or other substance has been adversely affected by the goods and the Purchaser shall indemnify and defend the Company from and against any and all liability, losses, costs, expenses and claims by third parties in respect

of any claim that any such food, drug or other substance has been adversely affected and caused the third party loss, damage or expense.

15. CONFIDENTIAL INFORMATION.

All non-public, confidential, or proprietary information of the Company, including but not limited to specifications, samples, patterns, designs, plans, drawings, documents, data, business operations, customer lists, pricing, discounts, or rebates, disclosed by the Company to the Purchaser, 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 this Agreement is confidential, solely for the use of performing this Agreement and may not be disclosed or copied unless authorized in advance by the Company in writing.

Upon the Company's request, the Purchaser shall promptly return all documents and other materials received from the Company. The Company shall be entitled to injunctive relief for any violation of this Section 15. This Section 15 does not apply to information that is.

- (a) in the public domain;
- (b) known to the Purchaser at the time of disclosure; or
- (c) rightfully obtained by the Purchaser on a non-confidential basis from a third party.

16. NO THIRD-PARTY BENEFICIARIES.

This Agreement solely benefits the Purchaser and the Company. Nothing in this Agreement, express or implied, confers on any other person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

17. RELATIONSHIP OF THE PARTIES.

The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

18. APPLICABLE LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of California without giving effect to any conflict of laws provisions thereof. All legal proceedings shall be instituted in the state or federal courts of the State of California. Each party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts.

19. NOTICES.

All notices shall be in writing and addressed to the parties at the addresses set forth on the face of the Order Confirmation or to such other address for either party as that party may designate by written notice. All notices must be delivered by nationally recognized overnight courier, or certified or registered mail (in each case, return receipt requested).

20. SEVERABILITY.

If any term or provision of this Agreement is determined to be invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

21. ASSIGNMENT.

Purchaser's rights, interests, or obligations hereunder may not be assigned, transferred, or delegated by Purchaser without the prior written consent of the Company. Any purported assignment or delegation in violation of this Section 21 is null and void.

No assignment or delegation relieves the Purchaser of any of its obligations under this Agreement. The Company may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights under this Agreement and may subcontract or delegate in any manner any or all of its obligations under this Agreement to any third party and shall be entitled to perform any obligation under this Agreement through its subsidiary, holding company or a subsidiary of such holding company.

22. ENTIRE AGREEMENT.

This Agreement, along with any applicable Order Confirmations, contains the entire agreement between Purchaser and the Company and shall not be varied or added to except by a further written agreement signed by Company's duly authorized representative.

23. QUALITY.

Published information regarding performance, specification, dimensions, etc. of the Company's products is based on research and is reliable to the best of our knowledge and ability but this published information cannot be guaranteed and does not constitute or imply a warranty or condition.

24. WAIVER.

No waiver by the Company of any of the provisions of this Agreement is effective unless explicitly set forth in writing and signed by an authorized officer of the Company. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement by the Company operates or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power, or privilege hereunder by the Company precludes any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege by the Company.

25. FORCE MAJEURE.

Neither party shall be liable or responsible to the other party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations to make payments to the other party hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("Impacted Party") reasonable control, including, the following force majeure events:

- (a) acts of God;
- (b) flood, fire, earthquake, or explosion;
- (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest;
- (d) order or action by any governmental authority or requirements of law;
- (e) embargoes or blockades in effect on or after the date of this Agreement;
- (f) national or regional emergency;
- (g) strikes, labor stoppages or slowdowns, or other industrial disturbances;
- (h) telecommunication breakdowns, power outages or shortages, lack of warehouse or storage space, inadequate transportation services, or inability or delay in obtaining supplies of adequate or suitable materials; and
- (i) other events beyond the reasonable control of the Impacted Party. In no event shall a force majeure event excuse or delay the payment of any amount owed by one party to the other party under this Agreement.

26. AUTHORIZATION.

No salesman or agent may authorize any departure from these conditions which shall govern transactions except as otherwise specifically agreed in writing by an officer of the Company.

27. CUSTOMER'S CONDITIONS.

These terms and conditions shall take precedent over and supersede any terms and conditions contained in any other document forming part of the contract between the Company and the Purchaser whether such other document is dated or delivered before or after this Agreement unless the contrary is expressly agreed in writing by an officer of the Company.