

## TERMS AND CONDITIONS

Chicago Glue Machine & Supply Co., Inc. ("Seller") hereby offers to sell the goods identified on the reverse side hereof (the "Goods") to the party identified on the reverse side hereof as the buyer ("Buyer") upon the following terms and conditions:

1. Inconsistent Terms. ANY TERMS OR CONDITIONS PROPOSED BY BUYER INCONSISTENT WITH OR IN ADDITION TO THE TERMS AND CONDITIONS CONTAINED HEREIN SHALL BE NULL AND VOID AND OF NO EFFECT UNLESS SPECIFICALLY AGREED TO IN A WRITING SIGNED BY SELLER. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, BUYER AGREES THAT IF ANY OF THE TERMS AND CONDITIONS OF ITS PURCHASE ORDER ARE INCONSISTENT WITH THE TERMS AND CONDITIONS STATED HEREIN, THEN THE TERMS AND CONDITIONS STATED HEREIN SHALL PREVAIL.

2. Pricing. Prices for the Goods shall be Seller's prices in effect on the date the Goods are shipped, whether or not Buyer has received any prior notice of changes in price. All prices and shipments are F.O.B. Seller's plant. Seller may increase or decrease its prices for the Goods if Buyer changes the quantity of Goods purchased or shipped hereunder. Prices for the Goods are exclusive of any shipping or freight, which are the responsibility of Buyer.

3. Buyer's Costs. The amount of any taxes, tariffs or duties, export charges, license fees, royalties, or any other fees or charges imposed by any state or local authority, the United States, any foreign government, or any other person or entity on the production, sale, or use of the Goods shall be paid by Buyer, and any such amounts paid by Seller shall be for the account of Buyer.

4. Payment Terms; Seller Remedies for Payment Default. The terms for payment for the Goods are net thirty (30) days unless otherwise specified on the reverse side hereof, and Buyer agrees to remit payment to Seller at the location shown on Seller's invoice. Seller may offer the ability to pay by credit card and, if Buyer elects to pay by credit card, Buyer shall be required to pay a surcharge on such payment equal to 2.95% of the payment amount. Buyer shall not use a debit card for payment. Seller reserves the right at any time to suspend or revoke any credit extended to Buyer if Buyer fails to pay any invoice when due or for any or no reason, in Seller's sole discretion. In such case, in addition to any other remedies contained herein or provided by law, Seller has the right to demand cash payment or satisfactory security from Buyer prior to shipment of any Goods. Buyer's failure to pay any invoice when due makes all subsequent invoices immediately due and payable irrespective of any terms contained herein or therein, and Seller may withhold all subsequent shipments of Goods until Buyer's account is settled in full. Buyer agrees that Seller may at its option charge interest on delinquent accounts at the lesser of 1.5% per month or the highest rate allowed by applicable law. Buyer hereby grants Seller a purchase money security interest in all Goods to secure all amounts owing to Seller by Buyer hereunder, and authorizes Seller to file a UCC-1 Financing Statement in the appropriate jurisdiction in order to perfect such security interest.

5. Risk of Loss. Notwithstanding any law to the contrary, Buyer assumes all risks of and responsibility for loss or damage to, or delay in delivery of, the Goods after their tender by Seller to a common carrier or other shipper designated by Buyer. Notwithstanding Section 2-510(1) of the Uniform Commercial Code, after tender of the Goods to Buyer, all risk of loss shall remain with Buyer regardless of any breach of warranty or nonconformities in the Goods.

6. Installments; Delays. Seller reserves the right to ship usable portions of any order in installments. All such installments shall be separately invoiced and shall be paid for in accordance with the terms herein contained. Delay in the shipment of any installment shall not relieve Buyer of its obligation to accept subsequent shipments. Seller shall not be responsible for any delay or failure with respect to any shipment of the Goods if due to or arising from any shortage of materials, fire, labor trouble of any kind, accident, breakdown of machinery, government act of any kind, failure of any manufacturer, subcontractor or supplier to deliver goods, materials, or supplies, or to provide services as agreed or contemplated by past dealings, transportation difficulties of any kind, act of God, act of Buyer or any other contingency reasonably beyond Seller's control, whether or not presently occurring or contemplated by either party. Buyer agrees that this order cannot be cancelled as a result of any delay contemplated by this paragraph.

7. Inspection of Goods. Buyer agrees to inspect the Goods immediately upon its receipt thereof, and shall give written notice to Seller of any claim that the Goods do not conform with the terms hereof within fifteen (15) days after delivery of the Goods to Buyer or the destination designated by Buyer. If Buyer shall fail to give such notice, the Goods shall be deemed to conform with the terms hereof, and Buyer shall be bound to accept and to pay for the Goods, and shall have no right to revoke such acceptance for any reason. In the event of a timely claim against Seller, the parties shall promptly arrange to jointly inspect the Goods, and, where appropriate, to have representatives of the carrier present at such inspection. Any damage or loss occurring in transit shall be settled by Buyer with the carrier without any offset of the purchase price of the Goods. Buyer shall set aside, protect and hold those Goods which are the subject of its claim until Seller has an opportunity to inspect them and advise Buyer of the disposition, if any, to be made of them. In no case shall any Goods be returned to Seller without the prior written consent of Seller.

8. Seller's Specifications. Buyer agrees to approve or reject any designs, specifications, part prints, and/or samples of the Goods (collectively, "Seller's Specifications") within seven (7) days after Seller's delivery of Seller's Specifications to Buyer. If Seller's Specifications are rejected by Buyer, then Buyer shall give written notice to Seller explicitly setting forth the reasons for such rejection. In such event, Seller, at its sole option, may either modify Seller's Specifications pursuant to Buyer's written notice or terminate this order and charge Buyer for the cost of any labor and materials paid or incurred by Seller in connection with such Seller's Specifications. If Buyer fails to approve or reject Seller's Specifications within seven (7) days after delivery thereof to Buyer, then Seller's Specifications shall be deemed to have been approved by Buyer. Buyer acknowledges and agrees that Seller's Specifications constitute confidential and proprietary information of Seller, and Buyer shall not, directly or indirectly, (a) disclose Seller's Specifications to any person or entity other than employees of Buyer who have a need to know; (b) use Seller's Specifications in any manner whatsoever, whether for commercial or non-commercial purposes, other than for the purpose of evaluating whether to purchase the Goods; or (c) fail to maintain Seller's Specifications in confidence or take suitable precautions to ensure that Seller's Specifications are not disclosed except as otherwise authorized hereunder.

9. Samples; Buyer's Specifications. Buyer shall approve or reject any samples of the Goods produced by Seller pursuant to any designs, specifications, part prints, or other written or oral instructions provided by Buyer for the purpose of

directing the manner in which Seller produces the Goods (collectively, “Buyer’s Specifications”) within seven (7) days after Seller’s delivery thereof to Buyer. Shipment of any Goods produced by Seller pursuant to any Buyer’s Specifications constitutes approval and acceptance by Buyer of any samples with respect to such Goods, and acknowledgment by Buyer that Seller is not the designer of such Goods. Buyer agrees to indemnify and defend Seller against any loss, cost, liability or expense resulting from any (a) claim for infringement of any patent, trademark, or other intellectual property right, (b) product liability claim, or (c) breach of product warranty claim, in each case arising from or relating to Seller’s compliance with any of Buyer’s Specifications.

10. Losses Arising from Buyer’s Specifications. SELLER ASSUMES NO RESPONSIBILITY FOR ANY DAMAGE, LIABILITY, OR LOSS (COLLECTIVELY, “LOSSES”), WHETHER TO PERSONS OR PROPERTY, WHICH ARISES FROM OR RELATES TO, DIRECTLY OR INDIRECTLY, BUYER’S SPECIFICATIONS FOR THE DESIGN OF THE GOODS OR BUYER’S RECOMMENDATIONS FOR THE USE OF CERTAIN RAW MATERIALS FOR THEIR PRODUCTION. BUYER AGREES THAT THE GOODS SHALL BE DEEMED TO HAVE BEEN PRODUCED PURSUANT TO BUYER’S SPECIFICATIONS IF BUYER ADOPTS ANY OF SELLER’S RECOMMENDATIONS WITH RESPECT TO THE GOODS.

11. Limited Warranty; Warranty Disclaimer. Seller warrants the Goods to be free from defects in material and workmanship under normal use and service consistent with Seller’s Specifications for a period of thirty (30) days from the date of shipment thereof, unless the manufacturer of the Goods provides a longer warranty period, in which case Seller shall pass onto Buyer such manufacturer’s warranty. ALL INFORMATION, AND RECOMMENDATIONS WHICH SELLER HAS PROVIDED TO BUYER ARE BASED UPON SELLER’S EXPERIENCE, AND SELLER BELIEVES THESE TO BE ACCURATE, BUT SELLER MAKES NO REPRESENTATION OR WARRANTY AS TO THEIR ACCURACY OR COMPLETENESS, AND BUYER’S RELIANCE THEREON IS AT BUYER’S SOLE RISK. WITH RESPECT TO GOODS PRODUCED PURSUANT TO BUYER’S SPECIFICATIONS, SELLER WARRANTS ONLY THAT THE GOODS HAVE BEEN PRODUCED IN ACCORDANCE WITH SUCH SPECIFICATIONS. THESE WARRANTIES ARE EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE WARRANTY OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND OF ANY OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF SELLER, AND SELLER NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT ANY OTHER OBLIGATION OR LIABILITY IN CONNECTION WITH THE GOODS.

12. Exclusive Remedy; Limitation of Liability. BUYER’S SOLE AND EXCLUSIVE REMEDY FOR BREACH OF SELLER’S WARRANTY PROVIDED IN SECTION 11 ABOVE OR ANY OTHER CLAIM, WHETHER FOR BREACH OF CONTRACT OR WARRANTY, NEGLIGENCE, OR OTHERWISE, SHALL BE THE REPAIR OR REPLACEMENT, AS DETERMINED BY SELLER IN ITS SOLE DISCRETION, AT SELLER’S EXPENSE, UPON DELIVERY OF THE GOODS, TRANSPORTATION PREPAID, TO SELLER AT 750 BAKER DR, ITASCA, IL 60143 WITHIN THE APPLICABLE WARRANTY PERIOD. BUYER SHALL BE RESPONSIBLE FOR ALL COSTS OF REMOVAL, TRANSPORTATION, AND REINSTALLATION OF THE GOODS SO RETURNED. SELLER SHALL HAVE NO LIABILITY WHATSOEVER, WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, IN NEGLIGENCE, OR OTHERWISE FOR INCIDENTAL, CONSEQUENTIAL, OR SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES. SELLER’S AGGREGATE LIABILITY FOR ANY LOSSES SHALL IN NO EVENT EXCEED THE AMOUNT PAID BY BUYER TO SELLER DURING THE NINETY (90) DAY PERIOD PRIOR TO THE EVENT GIVING RISE TO SUCH LOSSES. NO CLAIM OR ACTION OF ANY NATURE WHATSOEVER ARISING OUT OF OR RELATING TO ANY GOODS MAY BE BROUGHT BY BUYER MORE THAN TWELVE (12) MONTHS AFTER THE DATE OF SHIPMENT OF SUCH GOODS.

13. Governing Law. These terms shall be construed, enforced, and governed by the internal laws of the State of Illinois, without regard to the conflict of laws rules of the State of Illinois or any other jurisdiction. THE PARTIES AGREE THAT ANY SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR RELATING TO ANY TRANSACTION CONTEMPLATED HEREBY SHALL BE INSTITUTED SOLELY IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION, OR ANY COURT OF THE STATE OF ILLINOIS LOCATED IN COOK COUNTY, AND EACH PARTY IRREVOCABLY SUBMITS AND CONSENTS TO THE EXCLUSIVE JURISDICTION OF THOSE COURTS AND WAIVES ANY AND ALL OBJECTIONS TO JURISDICTION OR VENUE THAT ANY SUCH PARTY MAY HAVE UNDER THE LAWS OF THE STATE OF ILLINOIS OR OTHERWISE.

14. No failure by either party hereto to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder by either party preclude any other or future exercise of that right or any other right hereunder by that party.

15. In the event of any litigation between the parties arising from or relating to these terms and conditions, the prevailing party in such litigation shall be entitled to recover from the non-prevailing party its reasonable attorneys’ fees and costs arising from or related to such litigation.