



INVOICE TERMS AND CONDITIONS

1. Entire Agreement. This Invoice and these Terms and Conditions shall constitute the entire agreement (the "Agreement" or "Terms and Conditions") between Quality Packaging, Inc., a Wisconsin corporation ("QPI") and you ("Customer") with respect to the subject matter hereof. These Terms and Conditions are controlling and supersede any prior or contemporaneous agreements, understandings or representations, oral or written, relating to the subject matter hereof.

2. Terms of Payment. Net 30 days, unless otherwise stated on the face of the . . . Amounts not paid in full within 30 days of the date due will be subject to a service charge on the unpaid balance until paid in full equal to the lesser of 1½% per month or the maximum allowable under applicable law.

3. Security Interest and Protection of Collateral. QPI claims a security interest in all goods, equipment and machinery shipped to Customer until the same is fully paid. Customer grants QPI a purchase money security interest in the goods, to secure the unpaid balance of the purchase price. Customer authorizes QPI to file all necessary financing statements to evidence the security interest. Customer agrees to execute any and all documents necessary to perfect QPI's security interest, lien, or chattel mortgage, in the goods, machinery, or equipment.

4. Taxes and Other Charges. Customer shall be liable for any tax, fee or other charge imposed on QPI at any time upon the sale of the products sold hereunder, now imposed by federal, state, municipal or any other governmental authorities or hereafter becoming effective.

5. Limitation on Warranty and Remedies. Any warranty provided on the products sold under this Agreement is provided by the original manufacturer and not by QPI. QPI reserves the right to modify its warranty statement at any time, in its sole discretion. QPI will be obligated to assist Customer in the transfer of any such warranty only upon QPI's receipt of payment in full for the product to be warranted. Customer represents that it has used its own independent skill and expertise in connection with the selection and use of the products purchased pursuant to this Agreement, and that it will independently determine the suitability for each use for which it is purchased. THIS LIMITED WARRANTY DOES NOT COVER, AND SHALL AUTOMATICALLY BECOME NULL AND VOID, FOR THE FOLLOWING REASONS: (I) ABUSE; (II) MISUSE; (III) ACCIDENT; (IV) IMPROPER STORAGE, INSTALLATION, APPLICATION OR MAINTENANCE; (V) FAILURE TO NOTIFY QPI OF A CLAIMED COVERAGE DEFECT WHEN AND AS REQUIRED BY THIS AGREEMENT; OR (VI) FAILURE TO USE THE PRODUCTS IN ACCORDANCE WITH THE MANUFACTURER'S SPECIFICATIONS AND STANDARD OPERATIONAL GUIDELINES. THIS WARRANTY IS EXCLUSIVE, AND QPI MAKE NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, AND DISCLAIMS ALL WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN ANY EVENT, CUSTOMER'S SOLE REMEDY SHALL BE A CREDIT FOR THE COST OF SUCH PRODUCTS LESS DEPRECIATION, OR AT QPI'S OPTION, REPLACEMENT OR REPAIR OF SUCH PRODUCTS.

6. Limitation of Liability. To the maximum extent permitted by law, in no event shall QPI, its employees, officers, directors or agents be liable to Customer or any third party for any consequential, incidental, punitive, or special damages incurred as a result of or in any way connected with this Agreement or the products or services purchased pursuant to this Agreement, including, but not limited to, any lost profits or cost savings, even if QPI has been advised of the possibility of such damages, and regardless of whether any limited remedy fails of its essential purpose. Without prejudice to the foregoing, if QPI is nonetheless determined to be liable to Customer under or in connection with this Agreement, QPI's entire liability, and Customer's exclusive remedy under this Agreement shall be limited to the amount actually paid to QPI by Customer for products purchased under this Agreement. This limitation applies to all causes of action in the aggregate, including without limitation, breach of warranty, negligence, strict liability, misrepresentation, and other torts.

7. Indemnification by Customer. Customer will indemnify, defend and hold QPI harmless from and against any claim or damages of any kind arising out of or based upon a breach of this Agreement by Customer or any of Customer's employees or subcontractors. Furthermore, Customer will indemnify, defend and hold QPI harmless from and against any third party claim or damage of any kind arising out of or based upon any products purchased pursuant to this Agreement.

8. Approvals. Customer shall be solely responsible to obtain any consents or approvals from third parties. Execution of the Agreement by Customer is a representation and warranty that Customer has obtained all such necessary consents or approvals.

9. Waiver. The waiver of any right hereunder or failure to perform or breach by the other party shall not be deemed as a waiver of any other right hereunder or of any other breach or failure by said other party whether of a similar nature or otherwise.

10. Governing Law/Venue. This Agreement is made pursuant to and shall be governed by and construed in accordance with the laws of the State of Wisconsin. The parties further agree that any litigation conducted regarding this agreement shall be commenced in the state or federal courts located in Fond du Lac County, Wisconsin, and the parties hereby expressly consent to the venue and jurisdiction of such courts. [VENUE ALTERNATIVE: Dispute Resolution. If any claim, controversy or dispute between the parties, their agents, employees, officers, directors, or affiliated agents ("Dispute") cannot be settled through negotiation, it shall be resolved by arbitration under the then current rules of the American Arbitration Association ("AAA"). The Federal Arbitration Act, 9 U.S.C. Sections 1-15, not state law, shall govern the arbitrability of all Disputes. The arbitrator(s) shall not have the authority to award punitive damages, or any other types of damages excluded under this Agreement. The arbitrator's award shall be final and binding and may be entered in any court having jurisdiction thereof. Each party shall bear

its own costs and attorneys' fees, and shall share equally in the fees and expenses of the arbitrator. The arbitration shall occur in Fond du Lac County, Wisconsin.]

11. Force Majeure. Except for failure to make payments when due, neither party will be liable to the other by reason of any failure in performances of this Agreement if the failure arises out of the unavailability of third-party communication facilities or energy sources, acts of God, acts of the other party, acts of governmental authority, fires, strikes, delays in transportation, riots or war, or any cause beyond the reasonable control of that party.

12. Severability. In the event that any provision of this Agreement conflicts with the law under which this Agreement is to be construed or if any such provision is held invalid by a court with jurisdiction over the parties to this Agreement, such provision shall be deemed to be restated or redacted to reflect as nearly as possible the original intention of the parties in accordance with applicable law, and the remainder of this Agreement shall remain in full force and effect.

13. Notice. Any notice required or permitted to be given hereunder shall be in writing and shall be sufficiently given if sent by facsimile, registered or certified mail to recipient at the address set forth on the last paragraph hereof, or at such other address as recipient shall designate.

14. Assignment. This Agreement may not be assigned by Customer without the prior written consent of QPI.

15. Waiver. No waiver shall be implied by QPI's failure to insist on performance of any of the terms or conditions herein or to exercise any right or privilege granted to QPI hereby. No express waiver by QPI shall be construed as waiving any breach hereunder or the performance of any of the terms or conditions hereof not specified in the express waiver, and then only for the time and to the extent stated therein. One or more waivers of any covenant, terms, or condition hereof shall not be construed as a waiver of a subsequent breach of the same covenant, term, or condition.

END OF TERMS AND CONDITIONS



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