

TERMS AND CONDITIONS – MACHINES AND PARTS

1. DEFINITIONS:

- (1) EPL – Evergreen Packaging LLC
- (2) User – The company named on the invoice (the original purchaser).
- (3) Equipment – The terms contained in the "Description" portion of the invoice.

2. TERMS OF PAYMENT: Payments should be made at the direction and to the location specified by EPL. Terms of payment shall be in accordance with EPL's invoice and shall be subject to change by EPL in the same manner as changes in price. Unless otherwise specifically set forth, a one and one half percent per month service charge, (18 percent per annum) or the highest permissible rate under applicable law, whichever is less, shall be assessed on late payments.

3. ADDITIONAL CHARGES. The amount of any duty, tax (including value added tax or sales tax), or other charge imposed by or by the authority of any Governmental authority with respect to the manufacture, sale, transportation, delivery, and/or use of the goods shall be in addition to the invoice price and shall be User's responsibility.

4. SALE AND DELIVERY: Unless indicated otherwise on this invoice, the sale and delivery terms are F.O.B EPL's plant. User to pay all freight and insurance charges from F.O.B. point.

5. WARRANTY: EPL warrants Equipment of its own manufacture to be free from defects in materials and workmanship for a period of: Parts - six (6) months from shipment; Machines - twelve (12) months from shipment. THIS WARRANTY EXTENDS ONLY TO USER, AND IN NO EVENT SHALL EPL BE LIABLE FOR ANY DAMAGE SUSTAINED BY A PERSON DESIGNATED BY THE LAW OF ANY JURISDICTION AS A THIRD PARTY BENEFICIARY OF THIS WARRANTY OR ANY OTHER WARRANTY HELD TO SURVIVE EPL'S DISCLAIMER. User's exclusive remedy for any breach of warranty is expressly limited to EPL replacing or remedying the defective part or workmanship. Replacement parts provided under the terms of this warranty are warranted for the remainder of the warranty period applicable to the Equipment, as if such parts were original components of the Equipment. With respect to materials, parts and accessories manufactured by others, EPL will undertake to obtain for User the full benefits of the manufacturer's warranty. Any attempt by the User to repair a part on the equipment, shall void the part's warranty. All repairs must be made by the manufacturer or the warranty will be void. A defect in a part shall not condemn all the Equipment. The foregoing warranty does not extend to expendable parts with a rated service life of less than six (6) months or to failure or damages due to wear by normal use, improper use or maintenance, or alteration of the Equipment. THE WARRANTY DESCRIBED IN THIS PARAGRAPH SHALL BE IN LIEU OF

ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

6. LIMITATION OF LIABILITY: IN NO EVENT SHALL EPL BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR INDIRECT DAMAGES, NOR SHALL EPL BE LIABLE FOR ANY LOSS OF PROFIT, LOSS BY REASON OF PLANT SHUTDOWN, NON-OPERATION OR INCREASED EXPENSE OF OPERATION, LOSS OF PRODUCT OR MATERIALS, WITH RESPECT TO THIS SALE OR ANYTHING DONE IN CONNECTION THEREWITH, WHETHER BASED UPON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

7. SHIPMENT: Shipment dates are not guaranteed. EPL shall not be liable for delayed delivery or non-delivery for any reason. Where shipment is deferred at User's request for more than 30 days beyond the originally scheduled date of shipment, the order will be subject to invoicing, payment and storage charges from scheduled date of shipment, or in lieu thereof, interest on any unpaid balance at 1½% per month.

8. SECURITY INTEREST: User represents that the Equipment is to be used for business and shall remain personalty. User grants EPL a security interest in the Equipment to secure the payment of the purchase price. User will not sell, leave, transfer or encumber the Equipment and will keep it free from any and all liens and security interests until EPL has been paid in full. Upon default, EPL shall have all the remedies available to it under the Uniform Commercial Code and other applicable laws of the state in which the Equipment is located and shall be entitled to all legal costs, reasonable attorney's fees, and all other reasonable expenses and costs permitted by law which are incurred by EPL in enforcing its remedies. In addition to its other remedies, EPL may require User to make the Equipment available at a place designated by EPL which is reasonably convenient to both parties.

9. PATENTS: EPL agrees to indemnify and hold harmless User from any and all cost, expenses and damages resulting from any claim of infringement of a United States patent by reason of its use of the Equipment (of EPL's own designs and in the condition supplied and manner contemplated by EPL) or from any suit resulting from any such claim, provided that User promptly notifies EPL of any such claim of the institution of any such suit. User shall offer EPL full and exclusive right of defense in any such suit to the extent the Equipment is involved therein. In the event of any such claim or suit, EPL shall have the right to modify the Equipment, or to remove it and refund to User the purchase price thereof less fifteen percent (15%) for each full year from the date of shipment of the Equipment. NOTWITHSTANDING THE FOREGOING, EPL'S CUMULATIVE LIABILITY FOR INDEMNIFICATION UNDER THIS PROVISION SHALL NOT EXCEED THE PURCHASE

PRICE OF THE EQUIPMENT. This paragraph shall not apply to (a) any foreign patents, (b) apparatus designs modified by User or at its request, (c) any process in which the Equipment is used, (d) any product made by User, or (e) any claims or suits involving solely materials, parts or accessories manufactured by others.

10. OSHA LAWS: The Williams-Steiger Occupational Safety and Health Act of 1970 (OSHA) and like state and local laws, and all regulations issued under such laws, are designed to assure a safe place to work and apply primarily to the employer, not the Equipment manufacturer. EPL will work with User to find technically feasible answers to possible compliance problems. EPL has taken OSHA and similar laws into account in the design of its Equipment with the objective that when such Equipment is placed in an appropriate environment it will enable operator or User to comply with the applicable OSHA and similar requirements. However, because compliance is significantly affected by many factors over which EPL has little control (such as installation, plant lay-out, building acoustics, materials processed, processing procedures, and supervision and training of employees), EPL does not represent or warrant that Equipment sold by it complies with OSHA or any like state or local law or regulation, and the cost of modifications and responsibility for compliance are User's responsibility.

11. NOTICES, GOVERNING LAW: This transaction shall be governed by the laws of the State of Tennessee, without reference to choice of law rules or to the Convention on Contracts for the International Sale of Goods. All notices required by the invoice shall be sufficiently given if sent by U.S. mail addressed to the party at the place of business referred to on the front of the invoice.