

1. GENERAL. These Terms and Conditions and associated Sale Confirmation, as defined below, together with the ("Contract") shall govern the sale of goods ("**Products**") from Chancey Martin Corporation dba Taral Plastics dba Hero Packaging, a California corporation (the "**Company**"), to Buyer. Buyer shall be bound by the Contract upon the earliest to occur of: (i) Buyer's written agreement to be bound hereby, (ii) Buyer's payment of any portion of Company's invoiced amount, or (iii) Buyer's acceptance of delivery of any product from Company. This Contract shall take precedence over any additional or different terms or conditions of Buyer (including, without limitation, any purchase order attached hereto), to which notice of objection is hereby given. In the event of a conflict between this Contract and any such additional or different terms or conditions of Buyer, this Contract shall control. This Contract shall be binding upon Buyer and Company, and each of their respected successors and assigns.

2. ACCEPTANCE AND APPROVAL OF PURCHASE ORDER. A Sale Confirmation from Company for the sale of Products will be issued following the Company's receipt of Buyer's purchase order and will capture Company's agreement to provide products at the value agreed, by and through the terms of the Contract, the ("Sale Confirmation"). No modified, additional, or different conditions or terms whether contained in a Buyer's purchase order, order acknowledgment, invoice, or other document furnished by the Buyer, shall be recognized by or binding upon the Company unless specifically agreed to in writing by an executive officer of the Company. The failure of the Company to object to any such provisions or terms, or the delivery of any product hereunder, shall not be a waiver of the Terms and Conditions or an acceptance of such additional or different terms or conditions. In no event shall Company's delivery of any Product hereunder be deemed or construed as an acceptance of any additional or different terms or conditions of Buyer.

3. PRICE. Prices are subject to change without notice. Orders shall be based on Company's Sale Confirmation in effect on the scheduled date of Product shipment and will be invoiced on such basis, unless otherwise specifically noted on the Sale Confirmation. Orders specifying special palletizing or packaging will result in special charges, for which Customer shall be responsible. Unless otherwise stated, the price is for the Product only and does not include any Services. Errors or omissions in price are subject to correction. Prices are quoted as determined by the Seller in US dollars (USD) and will remain open for thirty (30) days from the Quotation date. Unless otherwise agreed to in writing by Company, (i) all prices quoted are F.O.B. at Company's designated shipping point.)

4. PAYMENT TERMS. All payments shall be in U.S. Dollars, via check, credit card, ACH, or other acceptable electronic means as set forth in the Sale Confirmation. **Credit Card payments are subject to a 3% processing fee, which is applied to all payments made by credit card to offset the direct costs incurred by the Company's credit card payment processing company.** There is no processing fee for true Debit Cards. **Buyer agrees to pay all invoices NO later than thirty (30) calendar days from the invoice date. All overdue accounts shall accrue a service charge of 1.5% of the unpaid balance per month, compounded annually (or at a lesser rate as may be required by law) until the account is paid in full.** All payments are made with no right of retention or set off of any claim or dispute with Company, whether relating to Company's breach, bankruptcy or otherwise. If any late charge received under this Contract exceeds the maximum amount permitted under applicable laws, any excess shall be deemed a mistake and canceled automatically. Company will also charge Buyer a fee equal to the lesser of \$500.00 or 5.0% of the invoice amount for each time any Buyer check does not clear Buyer's bank due to insufficient funds. Regardless of any prior approval of credit for an order, Company may require full or partial payment in advance at any time. Company may at any time and without liability suspend performance until receipt of any requested advance payment or security satisfactory to Company. Until payment in full of all amounts owed to Company by Buyer hereunder, Company shall have a purchase money security interest in all Products, materials, and works-in-progress of Buyer, including all additions and replacements and proceeds thereof. Buyer agrees to execute, file, and deliver and authorizes Company to execute and file, any UCC-1 financing statements in any jurisdictions as Company deems appropriate to maintain and perfect its security interest hereunder.

5. IN TRANSIT CLAIMS. Unless otherwise agreed to in the Sale Confirmation, claims for damage or shortage in transit must be made against the carrier by the Buyer according to the terms of the Contract. The buyer is responsible for inspecting shipments before or during unloading to identify any such damage or shortage and see that an appropriate written notation is made on the delivery tickets or an inspection report furnished by the local agent of the carrier in order to support a claim.

6. TITLE; RISK OF LOSS; SHIPMENT. Title, risk of loss and damage shall pass upon delivery of the Product purchased hereunder to common freight carrier or to Buyer's representative at Company's designated F.O.B. shipping point. Buyer shall (i) **reimburse Company for all shipping charges paid by Company** plus an administration surcharge of at least **20%** of such charges or (ii) directly arrange for and pay its own shipping charges, provided that Buyer provides Company with Buyer's valid shipping account information prior to shipping. All Product shall be packed for shipment and storage in accordance with standard commercial practices. In no event shall Company assume any liability in connection with shipment, nor shall the common carrier be deemed an agent of Company. Any claims for damage or loss in transit must be made against the carrier by Buyer.

7. DELIVERY. Company shall use its commercially reasonable best efforts to deliver Product in accordance with any reasonably requested delivery schedule. Where strict compliance with such a requested delivery schedule is not commercially reasonably possible, Company will make delivery as soon as commercially reasonably possible. Company shall not be liable for delay in delivery or for failure to give notice of any delay. **Buyer acknowledges that Company may ship up to plus or minus 10% of the quantity of Product ordered without obtaining any approval from Buyer, and Buyer agrees such shipment shall be considered complete and Buyer agrees to pay Company in full for all Product delivered,** including all Product delivered in excess or short of the ordered amount. Buyer shall have no right to delay the delivery or shipment date, and Company reserves the right to charge storage fees for any Products it holds for Buyer.

8. INSPECTION / ACCEPTANCE OF PRODUCTS / RETURNS / CREDITS. Buyer shall inspect all Products and samples within fifteen (15) days after receipt by Buyer. **All claims for shortages, defects, or other non-conformities shall be made in writing by Buyer within fifteen (15) days after receipt by Buyer.** Failure to notify Company in writing of any claim of Nonconforming Products within such fifteen (15) day period shall constitute an irrevocable acceptance of the Products or samples (as applicable) and an admission by Buyer that such Products or samples comply fully with all terms, conditions, and specifications of the corresponding order. "Nonconforming Products" means only: (i) the Product shipped is different than what is identified in the order, or (ii) the Product's label or packaging incorrectly identifies its contents. Credit will not be allowed on any parts which have been altered or defaced in any manner or are otherwise not in saleable condition. **Company's sole liability for any Product which is defective or materially differs from the applicable specifications is, at Company's option, the repair or replacement of such Product or return of such Product for credit in the amount paid to Company for such Product.** Products shall be deemed acceptable if they conform in all material respects to samples accepted (or deemed accepted) by Buyer without regard to whether such sample varies from the applicable specifications. Company shall in no event be liable for consequential or incidental damages nor more than the amount actually paid by Buyer to Company for the merchandise sold hereunder. Buyer shall have no right to return any Products without Company's consent (as evidenced by a Return Material Authorization ("RMA") number issued by Company to Buyer). If Company (in its sole discretion) issues to Buyer an RMA number to return any Products, Buyer shall pay Company a **restocking fee equal to 25%** of the total costs of such Products. Company will not accept the return of any Products that are a non-stock product or custom order.

9. TAXES AND OTHER CHARGES. Company's prices are exclusive of any freight, customs fees, tariffs, VAT, duties, freight forwarder fees, consular fees, federal, state, local or foreign sales, use, withholding excise or similar taxes or any United States or foreign customs duties or other charges that may be assessed, charged, imposed or levied by any public authority on the manufacture, sale, delivery, use or other handling of the Products sold hereunder. All other taxes and costs after shipment are Buyer's obligations. Company will bill Buyer for all applicable taxes, unless Buyer provides a valid exemption certificate, and provided that, if Company is not registered to collect and remit sales and/or use taxes in the jurisdiction where Product is shipped at Buyer's request, then Buyer hereby covenants and agrees that it shall pay and remit all applicable VAT, sales and/or use taxes to the proper taxing authorities and agrees to and shall indemnify Company from any liability related to the payment, underpayment or nonpayment thereof.

10. CANCELLATION. If Buyer desires to cancel or change any portion of this Contract and/or an associated purchase order, **Buyer must make such request in writing to Company.** Company may, in its sole discretion, accept or reject any such request. In the event a cancellation is accepted, Buyer shall be responsible for all reasonable costs and expenses (including, without limitation, expenses and commitments to Company's suppliers and subcontractors) incurred by Company prior to Company's receipt of the cancellation request. Orders for custom, special, or non-standard Products and/or services are final and non-cancelable. Company

also reserves the right to make a cancellation charge in the event of cancellation by the Buyer of an order placed in Company's shipping schedule and confirmed by Company in a Sale Confirmation. Company reserves the right to cancel an order that has been confirmed by a Sale Confirmation in whole or in part if, in Company's judgment, Buyer's financial condition cannot support the specified payment terms.

11. EXPORT LICENSES AND PERMITS. Buyer shall be responsible for procuring all applicable export and import licenses and complying with all export and import laws, rules, and regulations.

12. FABRICATION TO BUYER'S SPECIFICATIONS. To the extent Product is fabricated to Buyer's written specifications provided by Buyer, Buyer's warrants and represents that: (i) Product will be fit for the purpose for which it is intended; (ii) Product will conform to all standards prescribed by law, including, without limitation, all requirements of the Occupational Safety and Health Act of 1970, as amended; and (iii) manufacture and sale of such Product by Company will not be unlawful or result in any infringement or alleged infringement of any third party intellectual property rights.

13. LIMITED WARRANTY / DISCLAIMER OF WARRANTIES. Unless otherwise agreed to in writing by Company, Company hereby warrants that all Products will conform in all material respects to the applicable Product specifications as determined in accordance with industry standards, as published from time to time by The Society of the Plastics Industry (the "Minimum Industry Quality Standards"). This warranty extends to only Buyer and not any subsequent purchaser or user of the Products. Company will, at its option, replace, repair, or issue Buyer a credit for any Product which does not meet or exceed the Minimum Industry Quality Standards. No further warranty of any kind is express or implied. Company hereby expressly disclaims all other warranties, express or implied, with respect to all Product delivered hereunder, including but not limited to any implied warranty (i) of merchantability or suitability, (ii) of fitness, (iii) of fitness for a particular purpose, and (iv) arising out of course of dealing, custom or usage of trade. Buyer's remedies with respect to the sale, delivery, or resale of any Product delivered by Company hereunder, whether in contract, in tort (including negligence, Products liability, and strict liability), under any warranty or otherwise, shall be exclusively as set forth above.

14. LIMITATION OF LIABILITY. To the fullest extent permitted by law: in no event will Company be liable to the Buyer for any special, punitive, indirect, incidental, or consequential damages or commercial losses, including, but not limited to, loss of profits, opportunities, or goodwill, even if Company (a) has been advised of the possibility thereof or (b) the failure of any remedy of its essential purpose. In no event shall Company's aggregate liability arising out of or related to the contract, whether arising out of or related to breach of contract, tort (including negligence), or otherwise, exceed the amount actually paid by Buyer under this contract for the products out of which the claim or liability arose. Under no circumstances shall any failure of Company to replace, repair, or credit Buyer's account for any defective Product affect the foregoing disclaimer of consequential damages. Company in no way warrants that the Products sold hereunder will be compatible for use with any other Product or component, or that the Products sold hereunder will be suitable for Buyer's or any third party's intended use, and assumes no responsibility therefor.

15. CONFIDENTIALITY. Buyer will ensure that the Products, services, and all related information covered by the Contract, including but not limited to pricing, costs, fees, charges, patent, copyright, design, and manufacturing information, which Buyer receives from Company ("Confidential Information") will be kept in strict confidence. Buyer will exercise all reasonable precautions to prevent unauthorized disclosure of Confidential Information to any third party. Buyer will not use the Confidential Information for any purpose other than executing its obligations under this Contract.

16. OWNERSHIP. Buyer acknowledges and agrees that all patents and patentable ideas, trademarks, copyrights, mask work rights, patterns, designs, documents drawings, molds, and tools created by Company in its performance of this Contract shall be the sole and exclusive property of Company, and Buyer shall have no claim or right to the title or ownership of any such intellectual property created by Company. Further, to the extent that title or ownership to any such intellectual property may vest in Buyer by operation of law, Buyer hereby irrevocably agrees to and hereby does assign to Company all right, title, and interest in and to such intellectual property. In such case, Buyer agrees to execute instruments of assignment as may be reasonably requested by Buyer.

17. FORCE MAJEURE. Company shall not be liable for failure to perform its obligations hereunder due to events beyond its reasonable control, including, but not limited to, strikes, parts or materials shortages, manufacturing difficulties, riots, wars, actual or threatened acts of terrorism, fires, acts of God, delays of carriers or suppliers, and acts in compliance with any applicable law, regulation or order (whether valid or invalid) of any governmental body.

18. ASSIGNMENT; AMENDMENT. Buyer may not assign its rights or obligations hereunder without Company's prior written consent, and any assignment in violation of this provision shall be null and void. No change or modification of any of these Terms and Conditions shall be valid or binding on Company or Buyer unless such change or modification is in writing and signed by an authorized representative of both parties.

19. INDEMNITY. Buyer acknowledges that it is Buyer's responsibility to ensure that any final product incorporating Company's Products is manufactured, packaged, used, and sold in a safe and careful manner. Buyer assumes all risk associated with the use of Company's Products, and Buyer shall, to the fullest extent permitted by law, indemnify, defend, and hold harmless Company and its directors, officers employees, agents, subcontractors, parent, subsidiaries, divisions, and affiliates from and against any claim, action, loss or judgment (including attorneys' fees) which arise as a result of the use, manufacture, sale, handling or other distribution of Company's Products, including any products incorporating any Company Product. Further, Buyer shall to the fullest extent permitted by law, indemnify, defend, and hold harmless Company from and against any claim, liability, loss, damage, settlement, penalty, costs, or expenses made against or sustained by Company arising from any claim resulting from any other claim resulting from Company's design or manufacture of Products to specifications provided by Buyer.

20. PERIOD FOR COMMENCEMENT OF CLAIM. Notwithstanding any statute of limitations to the contrary, in no event shall Buyer be entitled to commence any action for breach of any warranty, express or implied, or for any loss or damage related to the services or Products sold by Company more than one year after the date of Buyer's receipt of such services or Products.

21. GOVERNING LAW; JURISDICTION AND VENUE. These terms and conditions shall be governed by and construed in accordance with California law without regard to any conflict of laws principles. In the event of any litigation hereunder, the parties submit to the exclusive jurisdiction and venue of the Superior Court of California for the County of Riverside or the United States District Court for the Central District of California, and Buyer consents to the personal jurisdiction of and laying of venue in any such court, and waives any objection based on lack of personal jurisdiction or forum non conveniens.

22. ATTORNEYS' AND COLLECTION FEES. In the event Company initiates a collection action hereunder, Buyer shall reimburse Company for all of its costs (including, without limitation, all of its attorneys' fees and/or collection agency fees and charges) incurred in connection therewith. In the event any party initiates any legal action regarding these Terms and Conditions, the prevailing party in any such action (including, without limitation, any mediation or alternative dispute resolution the parties may agree upon) shall be entitled to recover its reasonable attorneys' fees and costs.

23. SEVERABILITY. If any provision of these Terms and Conditions is held to be unenforceable or invalid in any jurisdiction, the remaining parts or provisions of this Contract shall be, as to such jurisdiction, severable and: (a) the validity, legality or enforceability of such remaining parts or provisions shall not in any way be affected or impaired by the severance of the parts or provisions severed; and (b) the invalidity, illegality or unenforceability of all or any part or any provision of this Contract in any jurisdiction shall not affect or impair such part or provision or any other provisions of this Contract in any other jurisdiction.

24. WAIVER. No failure or delay on the part of a party in exercising any right or power under this Contract shall operate as a waiver, nor shall any single or partial exercise of any such right or power preclude any other or further exercise of that right or power or the exercise of any other right or power under this Contract. No waiver of any provision, or the breach of any provision, of this Contract, shall be effective unless it is contained in a written instrument duly executed on behalf of the party giving the waiver. Then such waiver shall be effective only in the specific instance and for the purpose for which it is given and shall not operate as a waiver of any future application of such provision.

25. SURVIVAL. The following Articles shall survive termination or cancellation of this Contract or an accepted order:
3,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25.