

1. ACCEPTANCE. For purposes herein, "Seller" shall mean Axis Packaging Inc. and "Buyer" means any purchaser of goods or services from Seller. This acknowledgment shall operate as Seller's acceptance of Buyer's Order, but such acceptance is made expressly conditioned on assent by Buyer to terms and conditions included in this acknowledgment. Such assent shall be deemed to have been given unless written notice of objection to any of such conditions (including inconsistencies between Buyer's Purchase Order and this Acceptance) is given by Buyer to Seller promptly on receipt of this Acknowledgment. Orders shall be deemed accepted upon: (1) Buyer in any manner Ordering Products or authorizing Seller to perform any of the work shown on the face hereof or Buyer's Purchase Order ("Order"); (2) shipment or delivery of Products or services by Seller to Buyer; (3) Buyer approves pre-press proofs, if any; (4) Buyer assents by written notice or other means. No Order may be canceled without the written consent of Seller. Except as agreed to in a separate writing, no Order may be rescheduled or changed without prior written notice of Seller. SELLER EXPRESSLY OBJECTS TO ALL CONTRADICTORY OR VARYING TERMS AND CONDITIONS, WHETHER MATERIAL OR NOT, SPECIFIED IN ANY ORDER, ACKNOWLEDGEMENT, PURCHASE ORDER, CONFIRMATION OR OTHER TRANSACTIONAL DOCUMENT PERTAINING TO THE PRODUCTS OR SERVICES SUBJECT HERETO, INCLUDING WITHOUT LIMITATION, THOSE TERMS AND CONDITIONS REGARDING WARRANTY AND INDEMNIFICATION. If there is a discrepancy or conflict between any Purchase Order or other document(s) issued in this or any transaction between Buyer and Seller, these terms and conditions shall control.

2. PRICE—PRICE CHANGES. "Products" shall mean any item, material, product or service provided or manufactured by Seller. The prices stated herein for Products or services shall be invoiced at the Seller's prices and charges in effect at the time of shipment. All quotations shall be subject to review when Seller accepts any Order(s). Unless otherwise stated, the sale prices specified herein do not include any international, federal, state or local taxes (including, without limitation, sales, use, excise, manufacturing, duties, customs fees, VAT, ad valorem taxes, receipts, gross income, occupation and similar taxes or changes upon this transaction by any government authority). Wherever applicable, such taxes or charges will be for the account of Buyer. Prices are in U.S. dollars, payable FCA Seller's loading dock (Incoterms 2016). If no written price is specified or quoted, price will be the Seller's price in effect at the time of delivery of products or services. All prices are subject to adjustment on account of specifications, quantities, shipping arrangements, changes to Order or delivery time, or other terms and conditions that are part of the original price quotation. Seller may at any time make such changes in Products as shall, in Seller's judgment, constitute an improvement. Seller may furnish suitable substitutes for Products or materials unobtainable for good cause. Any changes in drawings, designs, materials or specifications which affect the cost will entitle Seller to establish new Prices; and, if work has been started, Seller shall be fully reimbursed for work substantially completed regardless of whether Products or services are accepted by Buyer. Upon receipt of any original copy or manuscript, should it be evident that the condition of the copy differs from that which had been originally described and consequently ordered, this Order shall be rendered void and a new Order issued. Paper stock, inks, camera copy, film, color separations, and other Buyer-furnished materials shall be produced, packed, and delivered according to Seller's specifications. Additional cost due to delays or impaired production caused by specific deficiencies shall be charged to Buyer. In the event that Seller shall be required by any foreign, federal, state, county or local government, authority, agency or any regulatory body, law, rule, regulation, or order to implement technologies for the protection of the environment, which technologies are not in place at the time of this Order, or to change operations as a result of the environmental impact of the production techniques required to complete Buyer's Order, Seller shall be entitled to pass on to Buyer the increased cost to Seller of the required technology and the same shall be deemed added to the price stated herein and in any Order(s) submitted.

3. TERMS. Seller shall have the right to require full cash payment in advance before accepting any Order, making shipment or beginning to perform work on any Order, regardless of the terms shown on the face of this acknowledgment or any accompanying Order. If Buyer defaults in any of the terms of any Order or payment, or if the financial responsibility of Buyer shall at any time become impaired or unsatisfactory to Seller, Seller shall have the right to terminate this contract or an Order without notice, or to defer or discontinue further shipments or work hereunder. Buyer represents and warrants to Seller that it is solvent and has immediately available funds and will make such funds available to Seller in accordance with the terms hereof to pay for the products or services provided by Seller. Buyer further agrees to report immediately, upon request of Seller, documentation of its creditworthiness and financial statements demonstrative of Buyer's ability to pay for the products or services to be provided by Seller. Invoices shall be issued by Seller and directed to the billing address indicated on any Order or quotation. Unless expressly agreed in writing or Seller deems it necessary to require cash payment in advance per this Paragraph 3, all invoices are payable net thirty (30) days following delivery or acceptance. All amounts not paid shall bear interest at the lesser of 18 percent (18%) per annum or the maximum rate permitted by law. Buyer shall reimburse Seller for all costs and expenses, including necessary attorneys' fees, incurred by Seller in collecting amounts past due hereunder. All claims for monies due or to become due from Buyer shall be subject to deduction or set-off by Seller by reason of any claim arising out of this or any other transaction.

4. WARRANTY/LIMITED REMEDY. Seller warrants that all products or services sold hereunder will conform to the description on the face hereof; that it will convey good title to any products or materials provided hereunder; that such products and materials will be new; that it will use good workmanship; and that such warranties are in lieu of and exclude all other warranties, express or implied by law, or otherwise. There is NO WARRANTY in cases of damage in transit, negligence, abnormal usage, misuse, accidents, normal wear and tear, or damage due to environmental or natural elements of any products delivered pursuant to any Order hereunder. SELLER AND BUYER AGREE THAT THE EXPRESS WARRANTIES IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER IMPLIED AT LAW OR EXPRESSED HEREIN (INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND COURSE OF DEALING AND/OR PERFORMANCE). Any claim on account of defective materials or for any other cause whatsoever shall conclusively be deemed waived by Buyer unless written notice hereof is given to Seller promptly after discovery but not later than sixty (60) days from date of shipment or pickup. AT ITS OPTION, SELLER SHALL HAVE THE RIGHT EITHER TO REPLACE OR REPAIR ANY DEFECTIVE MATERIALS, TO REFUND THE PURCHASE PRICE UPON RETURN OF THE MATERIALS OR TO GRANT A REASONABLE ALLOWANCE ON ACCOUNT OF SUCH DEFECTS, AND SELLER'S LIABILITY AND BUYER'S EXCLUSIVE REMEDY FOR DEFECTIVE MATERIALS SHALL BE LIMITED SOLELY TO REPLACEMENT, REPAIR, REFUND OR ALLOWANCE AS SELLER MAY ELECT. SELLER SHALL NOT BE LIABLE TO BUYER, OR TO ANYONE CLAIMING UNDER BUYER, FOR ANY OTHER OBLIGATIONS OR LIABILITIES, INCLUDING, BUT NOT LIMITED TO, OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR WARRANTY, NEGLIGENCE OR OTHER TORT OR ANY THEORY OF STRICT LIABILITY OR PRODUCTS LIABILITY WITH RESPECT TO THE PRODUCTS OR SELLER'S ACTS OR OMISSIONS OR OTHERWISE. IN NO EVENT WILL SELLER BE LIABLE FOR INCIDENTAL, COMPENSATORY, PUNITIVE, CONSEQUENTIAL, INDIRECT, SPECIAL OR OTHER DAMAGES. THE LIMITATIONS SET FORTH IN THESE TERMS AND CONDITIONS REGARDING SELLER'S LIABILITY SHALL BE VALID AND ENFORCEABLE NOTWITHSTANDING A FAILURE OF THE ESSENTIAL PURPOSE OF THE LIMITED REMEDIES DESCRIBED HEREIN. Seller shall be given reasonable opportunity to investigate all claims and no materials shall be returned to Seller until after inspection and approval by Seller and receipt by Buyer of written shipping instructions from Seller. Buyer agrees that Seller's liability and Buyer's remedy for damages, whether in contract, in tort, under any warranty, in negligence, or otherwise shall not exceed the amount of the purchase price paid by Buyer to Seller for the subject Order. The price stated for the goods and/or services is based upon and in consideration for limiting Seller's liability as set forth herein. No actions arising out of the transactions under any agreement or contract arising from or out of this Order may be brought by Buyer more than nine (9) months after the date of shipment of the Products or performance of the services, except that any claims for defective materials must be brought within the time period set forth above in this Paragraph 4.

5. DELIVERY; SHIPMENT; TITLE, AND RISK OF LOSS. All Products are sold FCA Seller's dock (Incoterms 2016), and Buyer shall bear all risk of loss or damage in transit, shipping, handling or storage. No loss or damage in transit, shipping, handling or storage shall relieve Buyer of any obligation hereunder, including payment for lost or damaged goods. Unless Buyer provides Seller with written instructions regarding shipment of Products, Seller shall ship Products in accordance with Seller's usual shipping practices. Seller shall make shipment as near to the expected delivery as possible, and it may ship in installments with each installment to be separately invoiced and paid for when due, but no rights shall accrue to Buyer hereunder by reason of Seller's delay in shipping on or by such expected delivery date. Buyer shall be liable for the added costs of storage, handling and carrying of materials at the Seller's facility when shipments or Orders are postponed or delayed for reasons beyond Seller's control or at Buyer's request. Seller reserves the right to add to the selling price handling, delivery, storage and administration charges. In no event shall Seller be liable to Buyer for consequential damages, including lost profits, resulting from any delayed or faulty delivery. Any delivery not in dispute shall be paid for regardless of any controversies relating to other Products. Time is not of the essence as to the provisions of this Order, including, but not limited to dates and deliveries. Claims for shortages or other errors in delivery or production must be made to carrier or Seller within fifteen (15) days from date of invoice. Failure to give such notice shall constitute Buyer's unqualified acceptance of Products and/or services and waiver of any such claims. All Products furnished by Seller shall be subject to commercial variations. Unless otherwise agreed to in writing, the following Order quality variations shall constitute acceptable delivery for any flexible packaging Order: 10-20 MMSI, 20%; 20-30 MMSI, 15%; and 30+ MMSI, 10%. For all other Orders, a variation of 10% or less in the Order quantity shall constitute acceptable delivery. Title, possession and risk of loss or damages in transit, shipping, storage, handling, loading or otherwise stay with Buyer from loading for shipment until delivery to destination designated on the Order. Buyer waives any right to modify the shipping contract. Buyer shall maintain adequate insurance to cover the risk of loss or damage in transit, shipping, handling or storage of Products or materials purchased from Seller or delivered to Buyer.

6. PRE-PRESS PROOFS; PRESS PROOFS; COLOR PROOFING. Prior to the production of the Products described herein, and when applicable thereafter, pre-press proofs shall be submitted by Seller to Buyer. Buyer will not produce the Products until the pre-press proofs have been marked "O.K." or "O.K. With Corrections" by Buyer and returned to Seller. If the pre-press proofs are marked "O.K. With Corrections," and if Buyer wishes to review and approve the revised prepress proofs prior to production, such a request must be made in writing when the pre-press proofs are returned. Seller cannot be held responsible for errors under any or all of the following conditions: if the work is printed per Buyer's O.K., if changes are communicated verbally, if Buyer has not Ordered proofs, if Buyer fails to return proofs with indication of changes, or, if the Buyer has instructed Seller to proceed without submission of proofs. If Buyer is available at press at the time of make-ready, Seller shall not produce the Products, or render any related services, unless or until Buyer signs an inspection sheet evidencing Buyer's approval of the press proof. Such inspection sheet shall be in a form Seller deems appropriate. Lost press time due to Buyer delay or Buyer changes will be charged at current rates. Because of differences in equipment, processing, proofing substrates, paper, ink, pigments, and other conditions between color proofing and product pressroom operations, a reasonable variation in color between color proofs and the completed job shall constitute conforming goods.

7. INTELLECTUAL PROPERTY. Any item or material (including but not limited to proofs, hardware, plates, software, drawings, and artwork) which Seller creates or purchases for use exclusively in the production of materials or provision of services for Buyer will be used only for that purpose but shall be and remain Seller's property and in Seller's possession and control, and any charges therefore shall be for the use of such items or material. If artwork provided to Buyer by Seller is modified by Buyer with or without Seller's direction, such modified artwork shall be and remain Seller's exclusive intellectual and personal property and in Seller's possession and control; any original artwork provided to Buyer by Seller shall be returned to Seller at Seller's request subject to this paragraph. Buyer will use its best efforts to handle and store carefully while in its possession any materials or equipment owned or furnished by Seller, and Buyer shall be liable for damage or loss thereof. When for three consecutive years no Orders have been received requiring the use of any items or materials owned or furnished by Buyer and referred to in this paragraph, Seller may dispose thereof as it sees fit without liability to Buyer after thirty (30) days' notice to Buyer at its last known address. This Order does not constitute and shall not be construed to confer upon Buyer or its customers any license under patents or other proprietary rights of Seller except the right to use such goods for the purposes for which they are sold.

8. CHANGES—CANCELLATION. The contract resulting from this acknowledgment and acceptance of Buyer's Order cannot be canceled, terminated or modified by Buyer in whole or in part except with Seller's written consent, and then only upon terms and conditions then to be agreed upon which shall include protection of Seller against all loss. If Buyer cancels all or part of an Order, Buyer agrees to indemnify Seller against any loss related to such cancellation. Buyer shall at a minimum be entitled to be paid a materials fee equal to twenty percent (20%) of the gross price of Buyer's Order, together with such other incidental and consequential damages and loss of profits as may result from cancellation.

9. FORCE MAJEURE. Seller shall not be liable for any loss or damage resulting from any delay in delivery due to (a) fires, floods, strikes, acts of God, or labor disputes, accidents to machinery, acts of sabotage, riots, acts of terrorism, precedence or priorities granted at the request or for the benefit, directly or indirectly, of the federal or any state government or any subdivision or agency thereof, delays in transportation or lack of transportation facilities, restrictions imposed by federal or state legislation or rules or regulations, inability to obtain materials; or (b) any cause beyond the control of Seller.

10. INDEMNIFICATION. Buyer shall indemnify, defend and hold harmless Seller from and against any claims for infringement of patents, copyrights, trade dress or trademarks, or from unfair competition claims based upon any design, legend or other matter, whether or not prepared by the Seller, printed upon the materials or used by the Buyer at the Buyer's request. Seller neither warrants nor represents that any Products or services hereunder may be patentable or copyrightable. Buyer shall review and approve all plans, drawings, sketches, renderings, diagrams, specifications, models, plates and prototypes prepared for Buyer by Seller (collectively "Design Work"). Such approval shall constitute Buyer's warranty and representation to Seller that no Design Work or Product produced by Seller for Buyer infringes upon any patent, copyright, trademark, trade dress or trade secret. Buyer acknowledges that Seller is relying upon Buyer's representations herein and that Seller has not made, and is not obligated to make, any independent inquiry or investigation.

11. REMEDIES AND SECURITY INTEREST. Failure by Buyer to make any payment due hereunder, or on request to give proper shipping instructions, or to accept delivery times stated, or to comply with all terms of any contract between Buyer and Seller shall give Seller, in addition to all other available remedies, the right at its option to deduct any undelivered quantities of material, product or services, whether under this or any other contract between Buyer and Seller. In partial consideration for Seller's sale of goods or provision of services to Buyer, Buyer hereby grants to Seller without further authorization, and Seller hereby retains a security interest in, all goods sold to, furnished to or provided to Buyer and documents relating to such goods now or hereafter in the possession of or under the control of Buyer, title to which might at any time be determined to have passed to Buyer, including, without limitation, all inventories of the goods or any other product bearing any trademark or trade name of Buyer or Seller, returns or repossessions and the proceeds, including insurance proceeds and proceeds from products in which the goods sold by Seller to Buyer were an input, of all of the foregoing, together with the additions and accessions thereof, to secure all of Buyer's obligations to Seller under this agreement and all other obligations of Buyer to Seller. Buyer agrees to execute such financing statements and other documents and to take such actions as may be required by Seller to evidence or perfect the security interest granted herein and the interest of Seller. Seller is authorized in Buyer's name to take such actions as permitted under this Contract or applicable law, including, without limitation, signing Buyer's name, and Buyer hereby appoints Seller as its attorney-in-fact for such purpose. Samples, prototypes, and print runs are subject to separate quotation and negotiation. If, without Seller's prior written approval, Buyer removes from Seller's possession any working mechanical art, type, negatives, positives, flats, plates, or Buyer-approved materials (collectively "Production Materials") for use in production of any Products specified herein, then Buyer shall pay Seller at time of removal an additional fee of thirty percent (30%) of the total cost to Seller of creating the same. To secure Buyer's obligations to Seller, Buyer hereby grants to Seller a security interest in all Production Materials and other equipment or items or materials constructed by Seller for Buyer or furnished to Seller by Buyer which is or may hereafter be in Seller's possession, such granting of the security interest consistent with the terms of this provision. If any Production Materials are in Seller's possession, risk of loss or damage to such Production Materials remains with Buyer. Seller is not liable for any loss, damage, or wear and tear that may occur while the Production Materials are in Seller's possession, and Seller does not undertake to cover any such property by any insurance. Any Production Materials in Seller's possession may be disposed of, and Seller shall be entitled to dispose of the same, ninety (90) days following the completion of any work derived from the Production Materials. Within the said 90-day period, Buyer may request in writing that Seller ship the Production Materials to Buyer. Seller, at its option, may honor such written request and, if so, shall ship the Production Materials to Buyer at Buyer's expense FCA Seller's dock (Incoterms 2016) if Buyer is current on all its obligations to Seller at the time of such request. The Production Materials shall be delivered "as is" and without any warranty as to its/their condition. In the event of any voluntary or involuntary proceeds as against Buyer under the U.S. Bankruptcy laws, Seller shall be considered by Buyer to be a critical administrative priority creditor.

12. APPLICABLE LAW. This acknowledgment and contract created under any Order shall be construed to be executed and performed in Minnesota and Minnesota laws shall govern its interpretation and enforcement. All litigation arising hereunder shall be commenced and prosecuted in Washington County Circuit Court located in Stillwater, Minnesota. Buyer waives all right to remove any litigation to federal court and hereby expressly consents to the exclusive jurisdiction and venue of Washington County Circuit Court.

13. INTEGRATION; NO WAIVER. This agreement constitutes the entire contract of sale and purchase of the goods or services named herein. No modification hereof shall be of any force or effect unless in writing and signed by the party claimed to be bound thereby, and no modification shall be effected by the acknowledgment or acceptance of purchase order forms stipulating different conditions. No provision hereof and no breach of any provision hereof shall be deemed waived by any previous waiver of such provision or breach thereof, by any previous Buyer practice or course of dealing, or by Seller's failure to object to provisions contained in any communication, document or Order of Buyer.