

## **Standard terms and conditions of sale**

The sale of packaging products ("Products") by SIG Packaging LLC (formerly known as Scholle IPN Packaging, Inc.) or Scholle IPN Atlanta Corporation ("SIG") to a purchaser ("Customer") are subject to these Standard Terms and Conditions of Sale ("Agreement") regardless of other terms and conditions in any purchase order, document or other communication of Customer. SIG objects to such other terms.

**1. Orders.** Unless otherwise stated on the quote, SIG's quotes are invitations to tender and are subject to change at any time without notice. All orders are subject to acceptance by SIG. Customer may not change, cancel or reschedule orders for Products without SIG's consent.

**2. Prices.** All prices are exclusive of all taxes, freight, duties, tariffs or any other charges or fees. Prices stated in SIG's quote are non-binding estimates and are subject to adjustment or correction by SIG after receipt of Customer's order. Prices stated in this Agreement or to be submitted are those currently in effect and are subject to escalation unless expressly agreed otherwise. Customer agrees to pay, and the Products will be invoiced at, prices prevailing at the time of shipment. Changes in the price of the Products may be the result of correcting pricing mistakes, or may occur with periodic general price changes, and for specific Products at any time. Whenever practicable, SIG will provide Customer with advance written notice of price changes. Customer will be charged extra for all applicable taxes, packing, special tests or inspections, insurance, shipping costs, and other charges imposed by any governmental agency or authority, incurred by SIG. Customer shall be liable for interest on unpaid invoices or any portion thereof, at the rate of one and one-half percent (1½%) per month on the unpaid balance.

**3. Multiple Release Orders.** The following information must be included on multiple release orders: (i) purchase order number; (ii) total quantity; (iii) price; and (iv) requested delivery date. Twenty-one (21) days prior written notice is required on all changes to delivery dates or quantity. Any remaining balance not released after three (3) months from initial shipment date shall result in a monthly storage charge at the rate of \$100 / pallet per month.

**4. Delivery.** Customer is responsible for all tariffs and other import and export costs, insurance, packing, crating, hoisting, rigging, transportation and shipping costs and Customer assumes all risks of and responsibility for loss, damage to, delay in shipment or non-delivery of the Products after their delivery to a common carrier or Customer's designated shipper. Title and risk of loss shall transfer to Customer at SIG's dock. Unless Customer specifically instructs SIG in writing otherwise as to routes, carrier and other incidents of transportation, SIG is authorized to ship the Products in any manner



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reasonable or customary. Railway or carrier weights at point of shipment shall govern in the event of any disagreement between SIG and Customer. Due to the impossibility of checking carrier scales, claimed shortages of less than three percent (3%) of the net weight will not be allowed.

**5. Payment.** Unless otherwise expressly provided in this Agreement, payment is due thirty (30) days from the date of shipment as evidenced by SIG's invoice date, without offset or any deduction. No discounts, anticipation or allowances are permitted. If Customer defaults on any payment, SIG may reschedule or cancel any outstanding delivery or order and declare all outstanding invoices due and payable immediately.

**6. Adequate Assurances.** Production work, shipments and deliveries are at all times subject to the approval of SIG's Credit Department, and SIG may at any time stop work in process, refuse to make shipment, or instruct the common carrier or other third person in custody or possession of the Products to hold, store or return the Products to SIG if Customer fails to make any payment or perform any other obligation owed to SIG when due or fails to provide adequate written assurances when requested by SIG. SIG may at any time demand advance payment, satisfactory security, or a guarantee of prompt payment. Customer shall provide SIG with immediate written notice in the event of any material change in the solvency of Customer, or upon the creation or filing of any plan of reorganization, merger, or the filing of any voluntary or involuntary bankruptcy petition.

**7. Claims.** Any damages to, loss of, shortage in, or any other claim concerning the Products which could be discovered by inspection upon delivery of the Products must be reported to the delivering carrier, and, in writing, to SIG promptly and in no event later than thirty (30) days after discovery of the claim by Customer; claims not received by SIG within the prescribed period of time are deemed waived. In the case of any such claim against SIG, inspection shall be promptly arranged with SIG, and where appropriate, representatives of the carrier. All damages, losses or shortages occurring in transit shall be settled by Customer with the carrier without offset of the purchase price of the Products affected. Customer shall set aside, protect and hold those Products which are the subject of its claim, without further processing, and at its cost, until SIG has an opportunity to inspect them and advise Customer of the disposition, if any, to be made of them. In no case shall any Products be returned without SIG's authorization.

**8. Product Changes.** SIG reserves the right at any time and without notice, to discontinue the manufacture of any of the Products, to make changes in design and to make improvements to the Products without incurring any obligation to correct, modify, adjust or improve the Products previously manufactured and sold by SIG.

**9. Warranty.** SIG warrants that for a period of twelve (12) months from the date of delivery, the Products will be free from defects in material and workmanship. All warranties shall be



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voided by the Customer's failure to: (i) follow proper fill volume to bag recommendations; (ii) fill bag to box size recommendations; (iii) include appropriate packaging support (dunnage); (iv) use package qualified transportation methods and distances; or (v) protect the Products from misuse, damage or neglect. Customer's sole remedies for breach of SIG's warranty are, at SIG's choice: (a) repair of the Products; (b) replacement of the Products; or (c) refund of Customer's purchase price for the Products.

SIG MAKES NO OTHER WARRANTY, EXPRESSED OR IMPLIED, SUCH AS WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SIG DOES NOT GUARANTEE RESULTS FROM USE OF THE PRODUCTS. SIG MAKES NO GUARANTEES OR WARRANTIES UNDER ANY LOCAL, STATE OR FEDERAL STATUTE OR ORDINANCE INCLUDING, BUT NOT OTHERWISE LIMITING THE GENERALITY OF THE FOREGOING, THE FOOD ADDITIVES AMENDMENT OF 1958 TO THE FOOD, DRUG AND COSMETICS ACT, THE POULTRY PRODUCTS INSPECTION ACT AND THE MEAT INSPECTION ACT. ANY DESCRIPTION OF THE PRODUCTS IS FOR THE SOLE PURPOSE OF IDENTIFYING THE PRODUCTS AND DOES NOT CONSTITUTE A WARRANTY THAT THE PRODUCTS SHALL CONFORM TO THAT DESCRIPTION. THE USE OF ANY SAMPLE OR MODEL IN CONNECTION WITH THIS AGREEMENT IS FOR ILLUSTRATIVE PURPOSES ONLY AND IS PROVIDED AS-IS. SIG OFFERS NO WARRANTIES RELATING TO FLEX CRACKING RELATED TO CUSTOMER'S TRANSPORTATION OR SHIPMENT OF PRODUCTS WITHOUT PROPER SUPPORT OR DUNNAGE. THIRD PARTY FITMENTS OR OTHER PRODUCTS SPECIFIED BY CUSTOMER FOR SIG'S USE ARE PROVIDED "AS IS" WITH NO ADDITIONAL WARRANTY.

**10. Limitation of Liability.** In any action under or related to this Agreement, whether based in contract, warranty, tort, or otherwise, SIG shall not be liable for indirect, incidental, consequential, punitive or special damages including, without limitation, costs of removal, return shipment, loss profits or loss of revenue even if SIG has been advised of the possibility of such damages and notwithstanding the failure of essential purpose of any remedy in this Agreement. In no event shall SIG's liability arising out of or in connection with this Agreement exceed the total amount paid to SIG for the specific Products at issue. No claim or action arising out of this Agreement may be brought by Customer more than twelve (12) months after the date of delivery of the Products. Specifically, in regard to SIG aseptic bags, Customer shall be solely responsible for any liability as a result of its failure to use the Products in accordance with the "Rules and Directions for the Use of Aseptic Bags", as published by the Aseptic Bag Manufacturers Association (ABMA) <https://www.aseptic-packaging.org/>



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**11. Technical Advice.** SIG may, upon Customer's request, provide technical advice on the Products sold hereunder, however, such advice is given at Customer's sole risk and SIG shall not be responsible or liable for such advice. Responsibility for the correctness and feasibility of Products or specifications for the intended application of the Products is solely the responsibility of Customer.

**12. Drums and Containers.** Returnable drums and other containers, which will be billed extra at SIG's current schedule of prices, remain SIG's property. Customer shall protect them and be responsible for any loss of or damage to any of them from any cause whatever while in Customer's possession (reasonable wear and tear excepted); and shall return them in good condition in accordance with the terms shown on the face of the invoice, for full credit or refund in the price billed.

**13. Security Interest.** SIG reserves a purchase security interest in the Products, all additions and accessions thereto, and all replacements, products and proceeds thereof to secure payment of the purchase price. Such security interest will be retained until the purchase price is paid in full. Customer agrees that SIG will have the right to file this Agreement or financing statements pursuant to the Uniform Commercial Code or other applicable law to evidence or perfect SIG's security interest in the Products. At SIG's request, Customer will join with SIG in executing such financing statements. SIG is hereby authorized by Customer to act as its attorney-in-fact to execute any such financing statement in the name of Customer, should Customer fail or refuse to execute any such financing statement immediately upon SIG's request.

**14. Collection Agency Fees and Commissions.** Customer is liable for collection agency fees and commissions incurred by SIG in the event Customer fails to pay for Products.

**15. Indemnity.** Customer shall defend, indemnify and hold harmless SIG, its subsidiaries and affiliates from and against all claims, expenses, liabilities, losses, damages, costs (including reasonable attorneys' fees and costs) arising out of or in connection with:

- (i) property damage or loss arising from or relating to Customer's use of the Products;
- (ii) personal injury or death arising from or relating to Customer's use of any Products;
- (iii) the manufacture or sale of Products hereunder to Customer's specifications, or by Customer's combination of the Products with any other products; and
- (iii) flex cracking or Customer's transportation or shipment of Products without proper support or dunnage.

**16. Export.** The Customer undertakes that no Products supplied by SIG will be sold, supplied, transferred or exported, directly or indirectly by the Customer, its agents or affiliates to any embargoed or sanctioned country or to any person, entity, or body if this is



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prohibited by economic or financial sanctions or trade embargoes imposed, administered, or enforced by the United Nations, the United States of America, the European Union and/or any other country's applicable export control laws unless all necessary authorizations have been granted and that such goods are only used for their intended purpose under this order.

**17. Force Majeure.** SIG will not be in breach of this Agreement and will not be liable for failure to fulfill its obligations under this Agreement, if any such failure or delay is due to or arising out of any legal theory of force majeure, an act of nature, act or omission of Customer, act of a governmental authority, including laws, regulations, orders or decrees, operational disruptions, man-made or natural disaster, epidemic, pandemic, shortage of labor, energy, fuel, materials or Products, strike, labor action, criminal act, war, terrorism, civil unrest, delay in delivery or transportation, inability to obtain labor, materials or Products through regular sources, communication or power failures, Act of God, or any cause beyond its reasonable control.

#### **18. General**

(i) This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Illinois without reference to the conflict of laws principles. The courts of the State of Illinois, Cook County shall have jurisdiction and venue over all controversies arising out of, or relating to, this Agreement. Each party consents to the exercise by any such court of personal jurisdiction over them and each party waives any objection it might otherwise have to venue, personal jurisdiction, inconvenience of forum, and any similar or related doctrine. Each party hereby waives to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any litigation directly or indirectly arising out of, under or in connection with this Agreement. THE PROVISIONS OF THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS SHALL NOT APPLY TO THIS AGREEMENT.

(ii) This Agreement supersedes all prior oral or written representations, communications, or agreements between the parties (including, without limitation, any purchase order or other form), and constitutes the final and entire understanding of the parties, regarding the subject matter of this Agreement.

(iii) If any provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable law. The unenforceability or invalidity of any term or condition will not affect the remainder of the terms or conditions.



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(iv) Customer shall comply with all applicable laws, rules and regulations, including, but not limited to anticorruption laws such as U.S. Foreign Corrupt Practices Act and UK Bribery Act.

(v) Customer shall collect, process, store, and transfer all personal data provided by SIG under this Agreement in strict accordance with applicable law including, but not limited to, the California Consumer Privacy Act of 2018 and related regulations ("CCPA") and EU data protection principles and requirements. Customer shall use and store personal data solely for the purpose of facilitating communication and collaboration and for purchasing Products from SIG under this Agreement and for no other purposes. Customer shall implement and maintain security procedures and practices appropriate to the nature of the personal data it collects, processes, stores, or transfers consistent with industry best practices. If personal data of EU residents is being transferred to countries outside the EU / EEA, Customer shall ensure by appropriate means that such personal data continues to be handled and processed in accordance with the data protection principles of purpose limitation and necessity; data accuracy, data quality and proportionality; data security and confidentiality. Rights of data subjects (access, rectification, deletion, and objection) must be ensured. In addition, Customer shall reasonably assist SIG to promptly comply with inquiries it receives under applicable data protection laws. In the event Customer discovers or is notified of a data breach involving personal data provided by SIG, Customer shall notify SIG of the data breach as soon as practicable, but no later than twenty-four (24) hours after Customer became aware of the data breach. Customer shall take all actions necessary to contain the data breach and provide SIG with all reasonably necessary information on the data breach and remedial actions. As required by the CCPA, Customer certifies its understanding of the obligations and restrictions in this Section and its compliance with such obligations and restrictions.

(vi) The parties agree that any provisions by their nature are intended to survive the expiration or termination of this Agreement shall survive any such expiration or termination.

Revised October 2024