

# Sonoco Products Company

## General Terms and Conditions of Purchase

UNLESS OTHERWISE PROVIDED BY SEPARATE WRITTEN CONTRACT DULY SIGNED BY SONOCO PRODUCTS COMPANY OR ITS APPLICABLE SUBSIDIARY OR AFFILIATE ("BUYER"), A PURCHASE ORDER ISSUED BY BUYER (AN "ORDER") MAY BE ACCEPTED ONLY UPON THE TERMS AND CONDITIONS SPECIFIED BELOW. SHIPMENT OF GOODS OR COMMENCEMENT OF SERVICES DESCRIBED HEREIN SHALL BE DEEMED TO BE AN ACCEPTANCE BY SELLER OF SUCH TERMS AND CONDITIONS. ANY ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS IN SELLER'S ACKNOWLEDGMENT OR OTHER RESPONSE HERETO SHALL BE DEEMED OBJECTED TO AND REJECTED BY BUYER AND SHALL BE OF NO EFFECT.

1. **PRICE**

If any price is higher than specified on the face of the Order, Seller will not ship goods or commence services without express, written authorization from Buyer. If price is omitted, it is agreed that the goods or services shall be billed at the price last quoted or paid, or the prevailing market price at time of delivery, whichever is lower, unless otherwise specified.

The purchase price excludes all applicable federal, regional, provincial, state or local taxes imposed on the goods and services and the transfer of goods and services, which shall be paid by Buyer. All such taxes shall be set forth as separate items on each Seller invoice.

Seller shall be responsible for complying with all import/export requirements applicable to the manufacture and sale of goods and the provision of services to Buyer and shall pay any import/export duties, levies or charges or other customs related expenses.
2. **INVOICES**

Seller shall send a payment invoice to the billing address set forth on the Order. Each invoice must bear Buyer's Order number and coding, if any, and must be accompanied by a bill of lading if shipment is made by common carrier. A separate invoice must be rendered for each lot of goods or services shipped or delivered to Buyer pursuant to the Order. Goods received and not covered by an invoice will be held at Seller's risk and expense.

Invoices are expected to be mailed not later than the day following shipment of goods or completion of services. Regardless, Seller must submit to Buyer a correct invoice for ordered goods and services no later than six (6) months after delivery of such goods and completion of such services. Buyer will not be obligated to pay (a) any invoices received more than six (6) months after the invoiced goods were delivered to Buyer and the invoiced services were completed, or (b) any invoices containing pricing errors that are not corrected within six (6) months of delivery of the invoiced goods or completion of the invoiced services.
3. **PAYMENT TERMS**

The payment terms or cash discount period available to Buyer shall commence on the date of receipt of the goods or performance of services or on the date of receipt of the correct invoice, whichever is later.

At Buyer's option, Seller agrees to accept payment from Buyer in the form of a purchasing card ("P-Card"). Seller agrees to strictly comply with any and all requirements in the purchasing card supplier enablement process in order to allow Buyer to properly pay Seller with the P-Card in exchange for Seller's satisfactory performance under the Order, including but not limited to any requirements for Seller to provide the Order number and sales tax, if applicable, on all charge transactions. Seller will be responsible for any costs or delays in payment due to Seller's failure to strictly comply with these requirements. Seller also agrees to comply with all rules established by the P-Card supplier, including without limitation any rule requiring payment by Seller of any charges or fees for the processing, issuance, or use of the P-Card.
4. **QUANTITY**

Goods or services of a quantity greater than that ordered will not be deemed accepted unless authorized in writing by Buyer, nor shall Buyer's acceptance of a lesser quantity relieve Seller of its obligation to deliver the balance of the goods or perform the balance of the services ordered.
5. **SUPPLIER NETWORK**

Seller acknowledges that Buyer is a member of the Ariba Supplier Network operated by Ariba, Inc. (the "Network") and that Buyer utilizes the Network for purposes of transmitting Purchase Orders to its suppliers. At Buyer's request, Seller agrees to join the Network and register as a supplier in accordance with the procedures, terms and conditions of the Network, and Seller further agrees to continually maintain said Network membership throughout the term of this Order if requested by Buyer in order to accept Purchase Orders issued by Buyer to Seller through the Network. If at any time during the term hereof Buyer chooses to utilize a different supplier network instead of the Network for purposes of transmitting Purchase Orders to Seller, Seller agrees, upon request by Buyer, to register with and become a member of such different supplier network selected by Buyer in order to continue accepting Buyer's Purchase Orders.
6. **FAILURE TO DELIVER**

Time is of the essence in any Order and Seller shall deliver the goods or perform the services strictly in accordance with the delivery requirements and deadlines set forth in the Order. If Seller fails to deliver or perform as and when specified, Buyer reserves the right to cancel the Order or any part thereof without prejudice to its other rights, and Seller agrees that Buyer may return for full credit part or all of any shipment so made or, if applicable, services so provided.
7. **PASSAGE OF TITLE AND RISK**

Title to and risk of loss of or damage to goods and services shall remain with Seller until delivery to Buyer at the facility address specified in the Order. Buyer shall not be required to assert any claims against common carriers. Subject to Buyer's right of inspection and rejection or revocation of acceptance of nonconforming goods and services under applicable law, title and risk of loss or damage to such goods and services shall pass to Buyer upon delivery to the appropriate facility. If goods or services are later found to be defective or nonconforming, then the provisions of the Section entitled "Defective or Non-Conforming Goods and Services" in this Order shall apply.
8. **OVERSHIPMENT; SHIPMENT TO WRONG LOCATION; ADVANCE SHIPMENT**

Subject to its rights of inspection under the Section entitled "Defective or Non-Conforming Goods and Services", Buyer shall have no obligation to accept (a) goods or services which exceed the quantity specified by Buyer in this Order ("Over Shipments"), or (b) goods or services delivered to the wrong Buyer location ("Shipment to a Wrong Location"), or (c) goods or services delivered prior to the delivery date designated by Buyer in this Order ("Advance Shipments").

In case of Over Shipments, Buyer shall inform Seller in writing that it will hold Over Shipments at Seller's risk and expense for one month while waiting for instructions from Seller, and any return shipment of goods or return of services shall be at the Seller's sole risk and expense. If Seller fails to take back such Over Shipments at the expiry of above-mentioned term, Buyer shall be entitled to dispose of the relevant goods or services without any compensation to Seller.

In case of Shipment to a Wrong Location, Buyer may, at its option, either return the goods or services at Seller's sole risk and expense (including, without limitation, transportation charges) or transfer the goods or services to the right location at Seller's sole risk and expense.

In case of Advance Shipments, Buyer may, at its option, either return the goods or services at Seller's sole risk and expense (including, without limitation, transportation charges) or delay paying the purchase price until the payment date which would have been applicable had the concerned goods or services been delivered on the date designated by Buyer in this Order.
9. **DEFECTIVE OR NON-CONFORMING GOODS AND SERVICES**

Buyer shall have the right but not the obligation to inspect all goods and services. If any of the goods or services are defective or otherwise not in conformity with the requirements of the Order, Buyer will notify Seller accordingly and shall have, in addition to the remedies described elsewhere herein and available at law or in equity, the right to (a) reject the non-conforming or defective goods or services without obligation or liability and receive a refund from Seller of all amounts paid by Buyer for such goods or services, and direct Seller, at Seller's sole risk and expense, to properly dispose of such goods or services in accordance with industry standards and all applicable laws, rules and regulations, and to return any of Buyer's affected equipment to its proper condition; (b) upon notification to Seller, obtain replacement goods or services from another source and recover from Seller the difference between the purchase price and the price paid by Buyer for such replacement goods or services, plus Buyer's reasonable expenses related to such replacement; and/or (c) recover from Seller all costs and expenses incurred by Buyer in connection with the non-conforming or defective goods or services, including, without limitation, for materials, labor, components, machine time, supplies, recalls, recovery, freight, handling and storage. The remedies specified in this Order shall be cumulative, nonexclusive and in addition to any other remedies available at law, in equity, in contract or otherwise. Buyer shall have the right at all times to set off any amounts owing at any time from Seller to Buyer (or its subsidiaries or affiliates) against any amount payable at any time by Buyer (or its subsidiaries or affiliates) to Seller.
10. **WARRANTY**

Seller warrants that (a) all goods and services shall be free from defects and shall conform to the specifications, samples or other descriptions and requirements set forth, described or referred to in this Order; (b) all goods shall be made of new materials and components unless Buyer expressly permits otherwise; (c) all goods shall be merchantable and fit for the Buyer's purpose; (d) all services shall be performed in a timely and workmanlike manner and in accordance with industry standards and shall be performed to the full satisfaction of Buyer; (e) the manufacture, packaging, labeling and transportation of the goods and the performance of the services comply with any and all applicable federal, regional, provincial, state or local laws, rules, regulations and ordinances; (f) Seller shall have and convey to Buyer good title to the goods, free from all liens, encumbrances and claims of third parties; (g) Seller has no prior agreements with or obligations to others that might conflict with its obligations under this Order; (h) Seller has obtained and maintains in full force and effect all applicable licenses, consents, permits, approvals, authorizations and the like required to lawfully perform Seller's obligation under this Order, and Seller (1) shall promptly notify Buyer if Seller receives any notice, demand, summons or complaint from any governmental or regulatory authority, agency or other body

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relating to the subject matter of this Order or Seller's performance in accordance with this Order, and (2) shall take all steps, at Seller's expense, to remedy and resolve any issues raised therein as promptly as practicable; (i) any goods delivered to Buyer pursuant to this Order will at the time of such delivery not be adulterated or misbranded within the meaning of the Federal Food, Drug and Cosmetic Act, as amended (the "Act"), or within the meaning of any applicable state or municipal law in which the definitions of adulteration and misbranding are substantially the same as those contained in the Act, as such Act and such laws are constituted and effective at the time of delivery, and will not be an article that may not, under the provisions of Sections 404, 505 and 512 of the Act, be introduced into interstate commerce; (j) it shall manufacture and test all goods in accordance with all applicable rules and regulations of the United States Food and Drug Administration ("FDA") and/or any applicable appropriate regulatory agency, including without limitation current good manufacturing practices, as specified in 21 CFR Part 110, 21 CFR Part 210, and the FDA's guidance documents, and all successor regulations and guidance documents thereto, and any other regulations promulgated by a similar governmental authority having jurisdiction over the facilities where the Goods are manufactured for Buyer as in effect from time to time; (k) the goods will not impart a flavor, odor, or color to any finished product other than as specifically required by the specifications.

These warranties shall survive any delivery, inspection, acceptance or payment by Buyer. Buyer shall have the remedies described in the Section entitled "Defective or Non-Conforming Goods and Services" and/or elsewhere in this Order for breach of any warranty with respect to the goods and services. In addition, Seller shall take whatever action is necessary to remove any lien, encumbrance or claim of any third party against any goods and services.

### 11. BUYER'S PROPERTY

Buyer has no obligation to furnish Seller with any tools, equipment or materials for Seller's performance under this Order, unless expressly provided otherwise on the face of this Order.

Any and all tools, equipment, material, and components furnished to Seller by Buyer or specially paid for by Buyer and any replacements thereof or attachments thereto shall be and remain the property of Buyer ("Buyer's Property"). Such Buyer's Property shall be adequately marked by Seller in such a way so as to clearly identify Buyer's ownership thereof, and shall be segregated from Seller's other property. Buyer's Property while in Seller's custody or control shall be maintained and repaired as needed by Seller at Seller's expense, held at Seller's risk, kept free of encumbrances, and insured by Seller, at Seller's expense, in an amount equal to the full replacement cost, with loss payable to Buyer. Seller shall not substitute any other property for Buyer's Property and shall only use Buyer's Property for Seller's performance under this Contract. Buyer's Property shall be subject to removal at Buyer's request, in which event Seller shall prepare same for shipment and shall redeliver Buyer's Property to Buyer in the same condition as originally received by Seller, reasonable wear and tear excepted, all at Seller's expense.

If Seller or its subcontractors or the employees, representatives, agents or invitees of any of them, make use of any of Buyer's Property, such Buyer's Property shall be accepted in "AS-IS, WHERE-IS" condition, and BUYER GIVES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE DESCRIPTION, QUALITY, CONDITION, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, TITLE, PRODUCTIVENESS OR ANY OTHER ASPECT OF THE BUYER'S PROPERTY. Buyer shall not be responsible for the maintenance, repair, or the proper use and service of the Buyer's Property.

Seller shall indemnify and hold harmless Buyer from and against any and all losses, costs, expenses (including attorney's fees and court costs), claims (including claims of Seller's employees), damages, demands, liabilities, suits, actions, recoveries and judgments of every nature and description arising out of any failure of the Buyer's Property to be suitable for its intended purpose or for any damage (including without limitation damage to Buyer's Property), destruction, injury or death arising from the use of such Buyer's Property.

### 12. INFRINGEMENTS

Seller represents to Buyer that the goods and services supplied hereunder do not and shall not infringe upon any existing or pending patents, copyrights, trademarks, trade secrets or other proprietary rights of third parties. Seller shall indemnify Buyer against liability, loss, damage, costs or expenses of any kind or nature, including, without limitation, Buyer's attorney's fees and costs, incurred in connection with any claim, suit or other proceeding for infringement or misappropriation of any patent, copyright, trademark, trade secret or other proprietary right brought against Buyer or Buyer's successors or assigns based upon use of the Goods (each, an "Infringement Claim" and collectively, "Infringement Claims"). If Buyer is enjoined from using the goods or services because of any Infringement Claim, Seller shall at its sole expense and in the following sequence: (a) obtain for Buyer the right to continue using such infringing goods or services; (b) replace such infringing goods or services with non-infringing but equivalent goods or services; or (c) modify the goods or services so that they are non-infringing but equivalent. At Buyer's option, Seller shall purchase all infringing goods and services from Buyer at the total purchase price paid by Buyer for all such infringing goods and services and pay Buyer all costs and expenses incurred by Buyer in the removal of such goods and services. Buyer shall promptly notify Seller of any Infringement Claim. At Buyer's option, Seller shall defend Buyer in such Infringement Claim at Seller's

direct cost and expense. Alternatively, Buyer may defend itself against such Infringement Claim and seek recovery from Seller as described above. Any settlement made for or against Buyer or on behalf of Buyer must be agreed to in writing prior to any final settlement agreement and Seller shall promptly inform Buyer about any judgment rendered for or against it regarding any infringement proceeding. The provisions of this Section shall not extend to Infringement Claims resulting solely from Seller's compliance with Buyer's specific designs, processes or specifications.

### 13. SOFTWARE

With respect to any operating system, firmware, software, program, application, source or object code, machine-readable instruction, or similar electronic information that is provided to Buyer by Seller in connection with the goods or services, either in a stand-alone medium or imbedded in the goods or services (the "Software"), Seller warrants that (a) the Software will perform as specified when installed and used in connection with the goods or services; (b) Seller has the right to license the Software to Buyer as provided below; and (3) neither Buyer's use of the Software in connection with the goods or services nor its exercise of its rights under the license granted below will infringe on any third party intellectual property rights.

Seller hereby grants to Buyer a non-exclusive, perpetual, royalty-free license to use the Software in connection with the goods and services, and the license is freely transferable by Buyer in connection with any assignment, sale, or other transfer that it may make of the goods or services.

For purposes of all warranties, obligations, rights and remedies provided herein with respect to the goods or services, the Software shall be considered a part of the goods or services covered by the same warranties, obligations, rights and remedies.

Seller agrees to promptly notify Buyer of any updates to the Software and, if requested by Buyer, to provide such updates to Buyer. With respect to cloud-based Software, such updates shall be provided to Buyer at no additional charge.

### 14. INDEMNIFICATION

Seller shall protect, defend, indemnify and hold harmless Buyer and its agents, employees and related companies from any and all losses, costs, expenses (including attorney's fees and court costs), claims (including claims of Seller's employees), damages, injuries (including death), demands, liabilities, suits, actions, recoveries and judgments of every nature and description arising out of (a) any defective goods and services, (b) Seller's breach of this Order, negligence or willful misconduct, and (c) the presence of Seller's employees or agents on Buyer's premises; all except to the extent of Buyer's gross negligence or willful misconduct. As to any claim made by Buyer hereunder, Seller expressly waives any immunity from suit with respect to injuries to Seller's employees which may extend to Seller as a result of any payments made by Seller to such employees or under any applicable workers' compensation statute or similar law or judicial decision.

### 15. INSURANCE

Seller shall maintain and at minimum keep in force, at its own expense, the following insurance coverage and limits: (a) applicable Workers' Compensation Insurance with statutory limits as required by the laws and regulations applicable to the employees of Seller who are engaged in the performance of this Order; (b) Employers' Liability Insurance with a limit of \$1,000,000 per occurrence; (c) Commercial General Liability Insurance covering claims for bodily injury, death, and property damage, including Premises and Operations, Products and Completed Operations, Independent Contractors, Personal Injury, Blanket Contractual and Broadform Property Damage Liability, with a combined single limit of \$2,000,000 per occurrence and \$5,000,000 in the aggregate. The Products and Completed Operations coverage should continue in full force and effect for three (3) years following completion, expiration or termination of this Order; and (d) Comprehensive Auto Liability Insurance covering all owned, non-owned, hired and other vehicles with a combined single limit of \$1,000,000 per occurrence. The insurance policies described above shall be written by insurance companies reasonably satisfactory to Buyer. Seller shall not cancel or modify any insurance policies without first giving thirty (30) days' written notice to Buyer. Any such cancellation or modification shall not affect Seller's obligation to maintain the insurance coverage set forth above. Seller shall be responsible for payment of any and all deductibles from insured claims under its policies. The coverage afforded under any insurance policy obtained by Seller pursuant to this Section shall be primary coverage in all instances regardless of whether or not Buyer has similar coverage. Except for Workers' Compensation Insurance, Buyer shall be named as an additional insured on all such policies of insurance. Seller shall not commence performance of this Order until evidence of such insurance has been delivered to and approved by Buyer. Seller shall not self-insure any of the insurance coverage required by this Order without the prior written consent of the Buyer. The minimum limits of coverage required by this Order may be satisfied by a combination of primary and excess or umbrella insurance policies. The maintenance of this insurance shall not in any way operate to limit the liability of Seller to Buyer under this Order. In the event of a breach of any of Seller's insurance obligations described above, Buyer shall have the right to immediately terminate this Order upon notice to Seller.

### 16. INDEPENDENT CONTRACTOR

Seller specifically represents that it is an independent contractor, properly licensed and offering goods and services based on its expertise and experience. As such, Seller shall have and maintain exclusive control and direction over all of its employees, agents, and operations. Except as expressly authorized in

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writing, neither Seller nor anyone employed by Seller shall be, shall hold themselves out as, or shall be deemed to be, Buyer's agent, representative or employee. Seller shall replace any personnel deemed unsatisfactory by Buyer. Seller assumes full and exclusive responsibility for the payment of all contributions or taxes now or hereafter required by any law or regulation as to all personnel engaged in the performance of this Order.

### 17. CONFIDENTIALITY

Seller shall not at any time, either prior to or after the termination of this Order, without Buyer's express written permission, make use of (except for Buyer's direct benefit as authorized herein), disclose or allow to be disclosed to others any confidential information or trade secret regarding Buyer's products, business, customers, processes, techniques or operations learned by Seller incident to its performance hereunder. All specifications, documents, drawings and other data delivered by Buyer to Seller in connection with this Order shall be subject to this confidentiality obligation. Seller's confidentiality obligation will not extend to information that is generally published or lawfully available from other sources or that was known to Seller prior to disclosure thereof by Buyer. Seller will not publicly disclose this Order or its terms or its business relationship with Buyer, nor use Buyer's name or trademark, without prior written approval of Buyer.

### 18. SHIPPING INSTRUCTIONS

Seller agrees to route all shipments as per any routing or ship-to instructions on the face hereof, or as requested by Buyer. If specific routing or ship-to instructions are indicated and not complied with, all extra shipping costs and other costs of Buyer resulting therefrom, including, without limitation, costs of reshipment to correct locations, will be paid by Seller. Pallets and/or crates must be treated and stamped in accordance with the ISPM 15 standard.

### 19. EXTRA SHIPPING CHARGES

No charges will be allowed for drayage, boxing, storage or packing unless agreed upon by Buyer.

### 20. COMPLIANCE WITH LAWS

Seller represents, warrants and certifies that it, and any goods manufactured or sold or services rendered in connection with this Order, are and will at all times be in compliance with all applicable federal, state, local and other laws, regulations, rules or orders, including, without limitation, the Fair Labor Standards Act, as amended (and this certification shall be deemed to be the written assurance contemplated by such Act). Seller agrees to indemnify and hold Buyer harmless to the full extent of any loss, damage or expense (including attorney's fees), which Buyer may incur as a result of Seller's violation of any applicable laws, regulations, rules or orders.

### 21. OCCUPATIONAL SAFETY AND HEALTH

Seller agrees to comply, and to require its employees and agents to comply, with the provisions of the Federal Occupational Safety and Health Act, as amended, and the standards and regulations issued thereunder and warrants that all goods and/or services furnished under this Order will conform to and comply with said standards and regulations. Prior to the delivery of goods, Seller shall furnish to Buyer Material Safety Data Sheets ("MSDS") in the format and with the information required by the Occupational Safety and Health Administration for the goods. Such MSDS shall contain all information reasonably necessary to enable Buyer to comply with any applicable "hazard communication" or "right-to-know" laws.

Seller agrees that at any time that Seller's employees or agents are performing services in a Buyer facility or in proximity to Buyer's employees or are otherwise on Buyer's property, Seller shall require its employees or agents to comply with all occupational health and safety rules and regulations promulgated by law and the Buyer and with all of Buyer's policies and requirements regarding the presence of Seller's employees or agents on Buyer's premises, including passing applicable background checks. Seller hereby acknowledges that Buyer has informed Seller of its policy that being under the influence of, bringing in, possessing, providing, manufacturing or other production of, buying, selling or using alcoholic beverages, unauthorized drugs or controlled substances, or possessing weapons, on Buyer's property or in Buyer's vehicles, is strictly prohibited. Seller understands and agrees to follow, and cause its employees and other agents to follow, this policy during the performance of this Order. Seller is solely responsible for the safety of its employees at all times while on Buyer's property.

### 22. TOXIC SUBSTANCES CONTROL

Seller expressly represents and warrants that each and every chemical, chemical substance, and in the case of mixtures, every chemical substance ingredient, sold or otherwise furnished hereunder is, at the time of such sale and delivery to Buyer, listed in the Toxic Substances Control Act Chemical Substance inventory compiled and published by the U.S. Environmental Protection Agency pursuant to the Toxic Substances Control Act, as amended, and is otherwise manufactured, sold, furnished and/or delivered in compliance with all applicable provisions of said Act. Seller expressly represents and warrants that the products and/or goods sold or otherwise furnished hereunder are not and/or do not contain chemicals or other substances whose use of any kind, or presence in consumer goods has been banned, or whose use has been restricted or limited in any manner without such restriction or limitation being clearly identified with

respect to each such chemical or other substance and the components thereof on the labeling of each said products or goods.

### 23. CONFLICT MINERALS

If tantalum, tungsten, tin, gold, or any other "conflict minerals" (as such term is defined in the United States Securities and Exchange Commission Form SD, 17 C.F.R. 249b-400, "Form SD") (collectively, the "Conflict Minerals") are used in the manufacture or production of any goods and services to be supplied to Buyer hereunder, then Seller (1) will disclose to Buyer the identity, origin, and use of such Conflict Minerals and the facility and location at which such Conflict Minerals were processed, and will provide Buyer with any additional information requested by Buyer with respect to such Conflict Minerals; and (2) represents and warrants that such Conflict Minerals either did not originate in The Democratic Republic of the Congo or any "adjoining country", or originated from "recycled" or "scrap" sources (as such terms are defined in Form SD).

### 24. FEDERAL CONTRACTS

Buyer is a federal contractor that complies fully with all applicable equal opportunity laws and regulations, including the provisions of 41 CFR § 60-1.4; 41 CFR § 60-250.5(a); 41 CFR § 60-300.5(a); and 41 CFR § 60-741.5(a); as well as the employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A. Seller agrees to fully comply with all of the foregoing laws and regulations as applicable to Seller's performance under this Order, and the text of each cited regulation is incorporated herein by reference as if set forth in this Order in its entirety.

### 25. ENVIRONMENTAL LAWS

In its performance of the Order, Seller shall comply with all applicable environmental laws and will provide Buyer promptly with copies of all notices of violation, information requests and warning letters issued by any local, state or federal environmental health or safety agency in connection with the Goods or any facility related to the Goods. Seller further agrees to comply with all the applicable responsibilities of a "generator" as that term is defined pursuant to RCRA and CERCLA.

### 26. ENVIRONMENTAL RESPONSIBILITY

Seller shall comply with, and shall cause its employees and agents to comply with, Buyer's environmental policy stated in Buyer's supplier standards found on Buyer's website at [http://www.sonoco.com/supplier\\_standards](http://www.sonoco.com/supplier_standards)

### 27. REGULATORY COMPLIANCE

Seller will sign any compliance certificates or guarantees Buyer reasonably requires, and will inform Buyer immediately (and provide relevant documents) if (a) it learns of anything that may indicate a product quality, safety, or labeling problem affecting the goods or services or that could cause Seller to breach any such certificate or guarantee or other requirement of this Order, or (b) a government agency or the media contacts Seller about any goods or services or matters potentially relating to them.

Seller shall permit representatives of any regulatory agency having jurisdiction over the manufacture and/or marketing of the goods or performance of the services to inspect its facilities in conjunction with the manufacture, testing, packaging, storage, handling and shipping of the goods and performance of the services. Further, Seller shall advise Buyer immediately if Seller receives notice of an impending inspection or if an authorized agent of the FDA or other governmental agency visits any of Seller's manufacturing facilities concerning the goods or services. Seller shall furnish to Buyer any report, including any FDA Form 483 notices (or comparable notices of other agencies), regulatory letters or similar documents received from such agency concerning the goods or services and the application of such report to the goods or services, if any, within seven (7) days of Seller's receipt of such report.

Each party shall promptly inform the other of any formal or informal inquiry relating to the goods or services by any regulatory agency of any local, state, or national government, or supranational authority.

Upon Buyer's reasonable request, Seller shall cooperate as necessary with, and promptly provide appropriate product data and information to, Buyer regarding the goods and services that would assist in, among other items, any application for regulatory approval, whether from the FDA or any other regulatory body. Seller further agrees to cooperate fully with Buyer with respect to any inquiry regarding the goods and services and to supply Buyer with all requested information related to the goods and services and Seller's performance under this Contract.

### 28. SUPPLIER STANDARDS

Seller shall comply with, and shall cause its employees and agents to comply with, Buyer's supplier standards found on Buyer's website at [http://www.sonoco.com/supplier\\_standards](http://www.sonoco.com/supplier_standards)

### 29. SUSTAINABILITY

Seller acknowledges that Buyer expects its suppliers to develop sourcing methods, goals and reporting for, and to make efforts to control and reduce, key sustainability metrics including green house gases (GHGs), water and energy consumption, solid waste, volatile organic compound (VOC) and hazardous air pollutant (HAP) production. Seller agrees to make commercially reasonable

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efforts to pursue these objectives and to cooperate reasonably with Buyer's efforts in this respect.

### 30. CHOICE OF LAW AND FORUM

This Order shall be interpreted and governed in all respects by the laws of the State of South Carolina without reference to the conflicts of law principles thereof. It is specifically agreed that this Order will not be covered by nor construed in accordance with the terms of the United Nations Convention on Contracts for the International Sale of Goods. Any judicial proceeding arising out of or related to this Order shall be instituted and maintained in the federal or state courts for Darlington County, South Carolina and each party submits to the exclusive jurisdiction of such courts. Each party further agrees to comply with all requirements necessary to give such courts in personam jurisdiction and agrees that service of process may be accomplished by, in addition to any other lawful means, certified mail, return receipt requested, to each party at such party's address set forth herein or any new address of which each such party has been notified in writing. Each party hereto hereby agrees that it shall not have a remedy of punitive or exemplary damages against the other in any dispute and hereby waives any right or claim to punitive or exemplary damages they have now or which may arise in the future in connection with any dispute. The procedures specified in this Section shall be the sole and exclusive procedures for the resolution of disputes between the parties arising out of or relating to this Order.

### 31. INTERPRETATION

This Order shall be construed without the aid of any rule of law requiring interpretation against the party drafting or causing the drafting of the Order or the portions of the Order in question, it being agreed that all parties hereto have expressly and freely agreed to the content of this Order.

### 32. TERMINATION FOR CONVENIENCE OF BUYER

Buyer reserves the right to terminate this Order for Buyer's sole convenience. In the event of such termination, Seller shall immediately stop all work hereunder and shall immediately cause any of its suppliers or subcontractors to cease such work and, at Buyer's request, expedite any remaining services or ready-to-ship goods under this Order. Buyer's liability to Seller with respect to such terminated Order shall be limited to: (1) Seller's purchase price of all finished goods and services ordered by Buyer and not usable in Seller's other operations or marketable to Seller's other customers, plus (2) the actual costs incurred by Seller in procuring and manufacturing material and performing services for Buyer's Order not usable in Seller's other operations. Buyer shall be entitled to a refund of any advances or progress payments made in excess of the foregoing measure of Buyer's liability, and at Buyer's option, Seller shall deliver to Buyer any finished goods or services or work-in-process. Seller shall not be paid for any work done after receipt of notice of termination, nor for any costs incurred by Seller's suppliers or subcontractors which Seller could reasonably have avoided, nor shall Buyer be liable for any loss of profits on the Order or portion thereof so terminated or suspended, nor for any consequential or incidental loss or damage, nor for any suspension, delay, termination or cancellation charges.

### 33. TERMINATION FOR CAUSE

Buyer may terminate this Order in the event of any default by Seller, or if Seller fails to comply with any of the terms and conditions of this Order and Seller does not cure such default or failure within thirty (30) days of receipt of written notice from Buyer; provided, however, that Buyer shall not be obligated to send an additional written notice or provide an additional cure period in the event that Seller's breach is recurring. Late deliveries, deliveries of products which are defective or which do not conform in any respect to the requirements stated in writing by Buyer, or failure to provide Buyer, upon request, with adequate assurances of future performance, or in the event that Seller become insolvent or there is filed by or against Seller a petition in bankruptcy, reorganization or other insolvency proceeding, shall all be causes permitting Buyer to terminate this Order for cause. In the event of termination for cause, Buyer shall not be liable to Seller for any amount, with the exception of finished goods and services meeting the requirements of this Order and accepted by Buyer, and of which Buyer specifically requests delivery or completion after notice of termination is given, and Seller shall be liable to Buyer for any and all damages sustained by reason of the default which gave rise to the termination. If it should be determined that Buyer has improperly terminated this Order for cause, such termination shall be deemed a termination for the convenience of Buyer.

Seller may terminate this Order or any part of it upon written notice to Buyer in the event of Buyer's failure to pay any amounts due under this Order, which failure is not cured within thirty (30) days from the receipt of Seller's written notice.

### 34. CHANGES

Except with the prior written approval of Buyer, Seller shall not make any changes to (a) the specifications of the goods or any portion or component of the goods; (b) the specifications or scope of the services; (c) the raw materials, production processes, procedures, or equipment used to manufacture the goods; (d) the method of performance of the services; (e) the facility or facilities at which the goods are manufactured; and (f) the place or time of performance of the services. Notwithstanding anything to the contrary contained herein or in Seller's documents, Buyer may make changes at any time to this Order regarding its scope, the method of shipping or packaging, place or time of delivery, or the specifications of the goods or services, or the method of performance and place

or time of performance. Any change shall be communicated to the Seller in writing. If any change required by Buyer affects the purchase price or delivery or performance schedule for the goods or services, an equitable adjustment to the affected purchase price or delivery schedule shall be made in proportion to the change. Any request by Seller for a price increase or extension of time for delivery of goods or for performance of services under this Section must be made in writing within seven (7) days from the date Buyer notifies Seller of the change and is subject to agreement in writing by Buyer.

### 35. ASSIGNMENT AND SUBCONTRACTING

Seller shall not delegate any duties or liabilities nor assign any rights or claims under this Order without the prior written consent of Buyer. Any such attempted delegation or assignment shall be void. Seller shall not use any subcontractors for any portion of Seller's performance hereunder without first notifying Buyer and obtaining Buyer's prior written approval of any proposed subcontractors. Except as provided in this Section, this Order shall be binding upon and inure to the benefit of the assignees, successors and assigns of the parties. Upon the sale or transfer by Buyer of operating rights for one or more facilities, the portion of this Order applicable to the affected facilities will, at Buyer's option, either be cancelled or assigned to the new owner or operator.

### 36. WAIVER; SEVERABILITY; MERGER; MODIFICATION

The waiver by Buyer of any breach of any term, condition or provision of this Order shall not be construed as a waiver of any other term, condition or provision of this Order, nor shall such waiver be deemed a waiver of any subsequent breach of the same or any other term, condition or provision of this Order.

In the event that any provision of this Order shall become invalid or illegal, this shall not render the Order void or invalid as a whole and in such event, such provision shall then be changed and interpreted so as best to accomplish the objective of such questionable provision.

Except for any existing confidentiality agreement, consignment agreement, or supplier managed inventory agreement between the parties, and except for any existing purchase agreement between the parties with respect to the goods and services covered by this Order where such purchase agreement expressly states that it shall control over any conflicting boilerplate terms and conditions in a purchase order, all prior and contemporaneous proposals, negotiations, representations and agreements with respect to the goods and services are merged into this Order and no course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this Order. Any existing consignment agreement or supplier managed inventory agreement between the parties shall be deemed amended by this Order if there are any specific provisions herein regarding consignment of goods or Seller's management of Buyer's inventory of goods.

Except as otherwise expressly provided herein, this Order may not be altered, modified, superseded or amended and no additional or different terms shall become a part of this Order, except pursuant to a writing specifically referencing this Order which is signed by both parties to this Order.

### 37. NOTICE

Unless otherwise provided herein, any required notices under this Order shall be sent to the applicable party at the respective address shown on the face of this Order, and, if sent by Seller, with a copy to the appropriate facility contact(s) of Buyer and a copy to Sonoco Products Company, 1 North 2nd Street, Hartsville, SC 29550, Attn: President. All such notices must be in writing and shall be sent either by registered or certified mail, reputable overnight courier, teletype (fax), or hand delivery. Such notices shall be deemed effective and validly given and received (a) if sent by registered or certified mail, on the third business day after such notice is mailed; (b) if sent by reputable overnight courier, on the first business day after such notice is mailed; (c) if sent by teletype (fax), at the time the party receiving the notice manually confirms successful delivery; or (d) if sent by hand delivery, at the time of delivery. Any notice given pursuant to the provisions of this Section shall be valid even if the sender has actual knowledge that the notice was not actually received. Either party may change its notice address by giving advance notice of such change to the other party in accordance with this Section.

### 38. FORCE MAJEURE

For purposes of this Section, a "Force Majeure Event" shall be defined as any event of force majeure, including without limitation, acts of God, labor disputes or strikes, war or civil disturbance, or any other cause beyond the affected person or entity's control and not due to such person or entity's fault or negligence and which such person or entity could not reasonably anticipate and avoid.

Seller will maintain commercially reasonable disaster recovery measures to prevent or promptly cure any Force Majeure Event. Buyer shall have the right to review and approve such measures.

Seller shall disclose to Buyer the existence of any labor contracts of which Seller's employees are a party and must inform Buyer of the terms of such contracts applicable to Seller's performance under this Order. In addition, Seller must notify Buyer in advance of any upcoming labor contract negotiations or a potential or actual termination of any such contract that could affect Seller's ability to supply Buyer hereunder and/or that could become a Force Majeure Event.

# Sonoco Products Company

## General Terms and Conditions of Purchase

Seller's advance notification to Buyer of any of the foregoing events must allow Buyer adequate time to purchase from Seller a sufficient inventory of goods for Buyer's needs and/or procure services from Seller sufficient for Buyer's needs until Seller is able to resume normal supply hereunder.

If Seller is delayed in the manufacture, shipment or delivery of the goods or performance of the services due to any Force Majeure Event, then the date of delivery or performance shall be automatically extended for a period of time equal to the duration of the Force Majeure Event, not to exceed ten (10) days without approval of Buyer; provided, however, that no such extension shall apply unless Seller gives written notice of delay to Buyer within three (3) days after Seller first has knowledge of the Force Majeure Event causing such delay. During any delay caused by such a Force Majeure Event, Seller agrees to continuously supply Buyer with the affected goods and services in volumes that at least equal the portion of Seller's affected volume supplied to Buyer immediately before the Force Majeure Event, relative to Seller's affected volume supplied to other customers that Seller is contractually obligated to supply on an ongoing basis immediately before and during the delay. Buyer shall have the right to cancel all or part of this Order or any pending shipment or performance, and purchase replacement goods and services from another supplier if Seller is delayed for reasons set forth above.

If Buyer is unable to use or receive the goods or services due to any Force Majeure Event affecting Buyer or any customer of Buyer that purchases Buyer's products or services utilizing the goods or services ordered by Buyer hereunder, then Buyer may, at its option, (a) extend the date of delivery or performance for a period of time equal to the duration of the Force Majeure Event, or (b) cancel all or part of this Order or pending shipments or performance.

Buyer shall not be liable to Seller for any amount, with the exception of accepted deliveries of finished goods and accepted performance of finished services, if Buyer terminates all or part of this Order pursuant to this Section.

### 39. DIVERSITY ENVIRONMENT

Seller is expected to develop sourcing methods, goals, reporting and efforts to encourage subcontractors' use of minority and women-owned suppliers. Seller shall use its commercially reasonable efforts for the use of such minority and women-owned suppliers to reach or exceed 5% of Buyer's annual spend with Seller under this Order. Seller shall report to Buyer the amount of such minority and women-owned supplier spending quarterly.

### 40. BUYER AFFILIATES

It is understood that purchases of goods or services, and sale and deliveries of goods and services may be by and to subsidiary or affiliate companies of Buyer. Purchase by the Buyer's subsidiaries or affiliates shall be subject to these terms and conditions and all advantages of these terms and conditions shall be extended to such subsidiaries and affiliates of Buyer. At Buyer's request, Seller agrees to directly enter into a separate agreement with a specified subsidiary or affiliate of Buyer containing substantially the same terms and conditions as this Order.

### 41. LIEN RELEASES

Neither the final payment nor any part of the retained percentage shall become due until Seller shall deliver to Buyer, on forms satisfactory to Buyer, an affidavit(s) of complete release and waiver of all claims and liens arising out of all services, materials, equipment or labor furnished under this Order. In addition, at the request of Buyer, Seller shall also deliver to Buyer, on forms satisfactory to Buyer, periodic partial lien waivers from Seller and/or Seller's subcontractors as any progress payments are made by Buyer for services, materials, equipment or labor furnished under this Order. Seller agrees to indemnify, hold harmless and defend Buyer from and against any and all claims, demands, causes of action, or suits of whatever nature, and all liens and claims of lien which may arise out of services, labor, and materials furnished by Seller or its subcontractors and suppliers or their employees, agents or materialmen hereunder; and Seller shall, upon request, furnish a bond, satisfactory to Buyer, to indemnify it against all such liens and claims. Seller will not suffer or permit any lien, attachment, claim or other encumbrance to be put or remain on any services provided hereunder, any portion thereof, or the site of such services, and Seller agrees to obtain promptly at its own expense the release and discharge of all such liens, attachments, claims and encumbrances which may be filed and shall keep the services and the site free and clear of all such liens, attachments, claims and encumbrances arising from the performance of this Order by Seller and its subcontractors and suppliers.

### 42. OWNERSHIP OF INVENTIONS

Seller agrees that all inventions, discoveries, improvements, processes, products, devices, reports, plans, proposals and recommendations made, discovered or developed by Seller, solely or jointly with others or otherwise, during fulfillment of any Order and which may be directly or indirectly useful in, or relate to, the business of Buyer or its subsidiaries or affiliates, and the manufacture, production, sale, application or use of its or their products or services, are the sole and exclusive property of Buyer and shall be deemed "work made for hire," whether patentable, subject to registration or not and may be used by Buyer on other projects or on subsequent extensions or continuations. Seller further agrees to disclose fully to Buyer immediately upon origination or acquisition thereof, any and all such inventions, discoveries, improvements, processes, products,

devices, reports, plans, proposals and recommendations so made, discovered or developed, during fulfillment of any Order.

Seller agrees to keep complete, accurate and authentic accounts, data and records of all inventions, etc. made, discovered or developed by Seller as aforesaid in the manner and form specified by Buyer, which accounts, notes, data and records shall be and will remain the sole and exclusive property of Buyer, and Seller agrees to surrender the same and all other papers and materials of Buyer promptly to Buyer upon request.

Seller agrees that at the request of Buyer at any time, or from time to time, during the term of or after the termination of any Order, to confirm, either orally or in writing, the ownership to Buyer of all such aforesaid inventions, discoveries, improvements, processes, products, devices, reports, plans, proposals and recommendations; and, when requested to also make application in due form for United States letters patent and foreign letters patent on said inventions, discoveries, improvements, processes, products or devices, and to formally assign to Buyer, or persons, firms or corporations designated by Buyer, all right, title and interest in and to said inventions, discoveries, improvements, processes, products, devices, reports, plans, proposals and recommendations and patent applications therefor or patents thereof, and to execute, at any and all times any and all proper instruments and do any and all lawful acts necessary, or which Buyer may deem desirable, in connection with any continuations, reexaminations, renewals or reissues thereof or in the conduct of any proceedings or litigation in regard thereto. All reasonable and documented expenses incurred by Seller by reason of Seller's performance of any of the aforesaid acts shall be borne by Buyer.

### 43. GENERAL RECORDS, QUALITY CONTROL, AUDIT AND INSPECTION

Seller shall maintain and retain for a period of at least six (6) years from the date of manufacture of the goods or completion of the services (or longer if required by applicable law), complete and accurate books and records relating to the costs, production, packaging, storage and shipment of goods and/or the costs and performance of services. Seller shall properly track each batch number of the goods, for traceability, so as to be able to provide a full manufacturing history. Seller shall also maintain and retain any other records required to be maintained under this Order or required to be kept by any applicable governmental laws, rules, regulations and guidelines.

Seller shall maintain adequate quality control systems and measures reasonably acceptable to Buyer to ensure that all goods and services meet the requirements set forth herein and are satisfactory to Buyer, and to address, as applicable, regulatory controls, documentation control, calibration, preventive maintenance, validation programs, supplier quality, environmental control, component and commodity procurement, material control, laboratory control, exception reports, goods or services processing and release, sample retention, stability, complaints, material safety information, annual product reviews, management reviews, returned goods or rejected services, preparation and/or handling of goods during importation and shipping, and preparation for and performance of services. Seller shall maintain and retain accurate quality records reflecting the foregoing, and, at Buyer's request, shall enter into a separate quality agreement ("Quality Agreement") with Buyer to address any or all of the foregoing. If at any time, should federal, state or local regulatory requirements specify defect limits or other defect or design requirements which are more stringent, exacting or demanding than the specifications for the goods and services contained in this Order or as described in the Quality Agreement, or otherwise as contained in any industry standard as of the date of this Order or thereafter, Buyer may require that Seller amend and/or supplement the specifications for the goods and services and/or the Quality Agreement to be in accord with such more stringent, exacting or demanding requirements.

Upon reasonable notice and during normal business hours, Buyer, or its representatives, will have the right to inspect Seller's facilities and processes, and audit Seller's books, records, documents, reports and other materials related to this Order or Seller's current regulatory compliance status. Buyer's audit rights hereunder shall expressly include the right to examine Seller's internal and external costs for any materials, components, supplies, labor, services, or other costs related to this Order. If an audit indicates that Seller has not complied with the terms of this Order, Seller will promptly reimburse Buyer for the costs of the audit and implement any reasonable corrective actions requested by Buyer. Buyer will also determine an appropriate credit or refund for any overcharges, which may be used as a set-off as determined by Buyer. All such records will be retained by Seller for a period of at least six years or longer if required by governmental laws, rules or regulations.

Seller will, upon request by Buyer, furnish Buyer with copies of Seller's audited financial statements and with copies of any books or records required to be maintained by Seller hereunder. If audited financial statements are not available, Seller shall furnish to Buyer any other information reasonably requested by Buyer regarding the financial condition of Seller.