



TERMS & CONDITIONS OF SALE

1. GOVERNING TERMS

THESE TERMS AND CONDITIONS GOVERN ALL SALES OF GOODS OR SERVICES BY SAALFELD® REDISTRIBUTION, A BUSINESS OF VERITIV™ OPERATING COMPANY ("SELLER"), TO BUYER. SELLER AGREES TO SUPPLY THE ORDERED GOODS OR SERVICES ONLY UPON THE TERMS AND CONDITIONS CONTAINED HEREIN. SELLER'S ACCEPTANCE OF BUYER'S ORDER AND AGREEMENT TO DELIVER THE ORDERED GOODS IS EXPRESSLY MADE CONDITIONAL ON BUYER'S ACCEPTANCE OF SELLER'S TERMS AND CONDITIONS SET FORTH BELOW. IN THE EVENT BUYER'S PURCHASE ORDER INCLUDES TERMS AND CONDITIONS THAT DIFFER FROM OR ARE IN ADDITION TO THE FOLLOWING, SUCH TERMS AND CONDITIONS ARE EXPRESSLY REJECTED BY SELLER AND ARE NULL AND VOID.

2. DEFINITIONS

As used herein, "Buyer" refers to the party who submits a Purchase Order to Seller and "Purchase Order" means the purchase order, electronic order or any other order submitted by Buyer.

3. CONFIRMATION

Seller's commencement of the delivery of the goods and/or services ordered by Buyer and Buyer's acceptance of such deliveries shall constitute a firm contract on the terms stated in Seller's confirmation and these terms and conditions. After confirmation by Seller, Buyer's Purchase Orders may not be subject to cancellation by Buyer except with Seller's express written consent. Seller's confirmation of Buyer's Purchase Order is not subject to any other terms and conditions unless such terms and conditions are set forth in an agreement signed by both Seller and Buyer that references and specifically amends these terms and conditions.

4. PRICES; PAYMENT

Prices are based on labor, freight and material costs prevailing at the time of Seller's confirmation. Prices do not include and Buyer is responsible for any applicable sales, use, value-added, excise and like taxes and applicable fuel surcharges. All orders are subject to the approval of Seller's Credit Department. Payment of Seller's invoice is due within thirty (30) days of the invoice date. Seller may, at its option, impose finance, service and/or late charges on any past due invoice in an amount not greater than allowed by law and, if Buyer fails to pay according to these terms and conditions, Buyer shall be liable to Seller for reasonable attorney's fees and related costs of collection. If Seller deems itself insecure with Buyer's ability to pay any invoice, Seller reserves the right to either withhold shipments, or impose or revise Buyer's credit limits and/or payment terms. For equipment purchases, payment terms include fifty percent (50%) of the total sales price due with Buyer's Purchase Order as a non-refundable



4. PRICES; PAYMENT *continued*

deposit, forty percent (40%) of the total sales price due prior to shipment (payment must be received two (2) days prior to shipment), and the net balance is due thirty (30) days after shipment.

5. DELIVERY; TITLE; FORCE MAJEURE

Unless otherwise specified in the confirmation, all deliveries of goods other than equipment are FOB Buyer's facility and title and risk of loss will pass to Buyer upon delivery to Buyer's facility, if delivered by Seller, or upon receipt by Buyer or its agent, if delivery or pick-up is arranged by Buyer. All equipment is FOB manufacturer's factory or warehouse and title shall remain with Seller until the total sales price has been paid in full by Buyer, however, risk of loss will pass to Buyer upon receipt by Buyer or its agent of any equipment. All delivery dates are approximate and Seller shall not be responsible for any damages of any kind resulting from any delay. Buyer agrees to accept partial or pro rata deliveries as full performance in the event Seller cannot fulfill an entire order. Seller shall not be liable for any default or delay in performance if caused directly or indirectly, by acts of God or a public enemy, governmental actions, riots, labor unrest, acts of terrorism, inability of manufacturer to obtain raw materials, the bankruptcy of any supplier or any other cause whatsoever beyond Seller's control. Orders below Seller's minimum order requirement may be subject to additional shipping and handling charges.

6. LIMITED WARRANTY

All of the goods furnished hereunder are furnished by suppliers to Seller and are sold only with such warranties as may be extended by the original manufacturer of the goods. Seller will provide all reasonable assistance to Buyer in obtaining the benefits of such warranties. No warranty is effective if (i) the goods are not stored or handled appropriately, (ii) the defect resulted from damages occurring after delivery, (iii) the defect was not reported to Seller in writing within thirty (30) days after delivery, or (iv) the defect is observable at the time of delivery and is not reported upon delivery. THE FOREGOING WARRANTY IS EXCLUSIVE OF AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER WRITTEN, ORAL OR IMPLIED, INCLUDING ANY WARRANTY OF PERFORMANCE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND SUPERSEDES AND EXCLUDES ANY ORAL OR WRITTEN WARRANTIES OR REPRESENTATIONS, MADE OR IMPLIED IN ANY MANUAL, LITERATURE, ADVERTISING BROCHURE OR OTHER MATERIALS.

7. LIMITATION OF LIABILITY

SELLER'S LIABILITY TO BUYER ON ANY CLAIM OF ANY KIND, INCLUDING NEGLIGENCE, WITH RESPECT TO THE GOODS OR SERVICES DELIVERED HEREUNDER, SHALL IN NO CASE EXCEED THE PURCHASE PRICE OF THE GOODS OR SERVICES OR PART THEREOF THAT GIVES RISE TO THE CLAIM. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER FOR ANY LOST PROFITS, SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF, OR AS A RESULT OF, THE SALE, DELIVERY, NON-DELIVERY, SERVICING,



7. LIMITATION OF LIABILITY *continued*

USE OR LOSS OF USE OF THE GOODS OR ANY PART THEREOF, OR FOR ANY CHARGES OR EXPENSES OF ANY NATURE INCURRED, EVEN THOUGH SELLER MAY HAVE BEEN NEGLIGENT.

8. INDEMNIFICATION

To the maximum extent allowed by law, Buyer must defend and indemnify Seller, its employees, officers, directors and agents against all sums, costs, liabilities, losses, obligations, suits, actions, damages, penalties, fines, interest and other expenses (including investigation expenses and attorneys' fees) that Seller, its agents, officers, directors or employees may incur or be obligated to pay as a result of (i) Buyer's negligence or willful misconduct; (ii) use, ownership, modification, maintenance, transfer, transportation or disposal of the goods; (iii) any infringement or alleged infringement of the intellectual property rights of others arising from Buyer's plans, specifications (including Buyer's trademarks and brand names) or production of the goods ordered by Buyer; and (iv) Buyer's violation or alleged violation of any federal, state, county or local laws or regulation, including without limitation, the laws and regulations governing product safety, labeling, packaging and labor practices. Buyer hereby waives and releases Seller from all rights of contribution or indemnity to which it may otherwise be entitled.

9. RETURNS

Returns must be approved by Seller in writing and are subject to restocking and transportation fees. Any returned goods must be in resalable condition, unopened and with the sale receipt or invoice. Custom orders or specialty goods cannot be returned.

10. EQUIPMENT INSTALLATION; TECHNICAL ADVICE

Unless otherwise agreed in writing by Seller, Buyer assumes responsibility for the installation and maintenance of all purchased equipment. Seller may provide installation and on-site technical support and maintenance services available at Seller's then prevailing rates.

11. TOOLING

All of Buyer's tooling, goods and other property in Seller's possession shall be fully insured by Buyer, and Buyer releases Seller from all liability for loss or damage to such materials caused by Seller's negligence or otherwise. Seller may use or dispose of any such materials without liability to Buyer if such materials have not been used for one year or more.

12. INSURANCE

Buyer must provide and maintain Commercial General Liability Insurance, including Products and Completed Operations coverage, on an "occurrence" basis in the amount of \$2,000,000. Upon request, Buyer shall furnish to Seller certificates of insurance showing the



12. INSURANCE *continued*

above referenced coverages and providing for at least thirty (30) days prior written notice of cancellation or modification and naming Seller as an additional insured.

13. INFRINGEMENT

Buyer agrees it will not copy, nor permit anyone else to copy, any goods or parts thereof, or any pattern, plan, drawing, specification, instruction or depiction thereof, without written approval of Seller, and that it will not knowingly, directly or indirectly, violate or infringe upon or contest the validity of any patent, license or other right of Seller pertaining to any of said goods. Where any goods are manufactured from patterns, plans, drawings or specifications furnished by Buyer, Buyer shall indemnify Seller against and save Seller harmless from all loss, damage and expense arising out of any suit or claim against Seller for infringement of any patent, trademark, copyright or other right because of Seller's manufacture of such goods or because of the use or sale of such goods by any person. The terms of any Seller software license agreement submitted to Buyer with the goods are incorporated herein by reference.

14. SECURITY INTEREST

To secure payment for all sums due hereunder or otherwise, Seller shall retain a security interest in all goods and equipment delivered hereunder and these terms and conditions shall be deemed a security agreement under the Uniform Commercial Code. Buyer authorizes Seller as its attorney-in-fact to execute and file on Buyer's behalf all documents Seller deems necessary to perfect such security interest.

15. CONFIDENTIAL INFORMATION; USE OF NAME

Buyer shall not use or disclose any of Seller's trade secrets or confidential information, whether or not designated as such, except as required in connection with the use or resale of the goods. Buyer may not use any name, logo or trademark of Seller or its affiliates without the prior written consent of Seller or the applicable affiliate.

16. MISCELLANEOUS

The confirmation and these terms and conditions constitute the entire agreement between Buyer and Seller relating to the ordered goods or services. No modifications shall be binding upon the Seller unless in writing signed by Seller's duly authorized representative. No modification of the confirmation of these terms and conditions will be effected by the acknowledgment or acceptance of other shipping instruction forms or any other document containing terms and conditions at variance with or in addition to these terms and conditions, all such varying or additional terms being deemed invalid. No waiver by Seller or default by Buyer shall be deemed a waiver of any subsequent default. The invalidity, illegality, or unenforceability of any one or more provisions hereof shall in no way affect or impair the validity, legality, or enforceability of the remaining provisions hereof, which shall remain in full force and effect. Buyer shall not assign any order or any interest therein without the



16. MISCELLANEOUS continued

prior written consent of Seller. Buyer agrees to assume responsibility for, and Buyer hereby unconditionally guarantees payment of, as provided herein, all purchases made by Buyer, its subsidiaries and affiliates. These terms and conditions shall be governed by the laws of the state of Delaware, without giving effect to its principles of conflicts of law.