

All terms are current as of January 1, 2010 and are subject to change without notice.

These Terms and Conditions of Sale and any quote submitted with these Terms and Conditions of Sale (together, the "Contract") are between Value Plastics, Inc. ("Value Plastics") and the customer to which these Terms and Conditions of Sale and any quote are delivered ("Buyer").

- 1. AGREEMENT.** Buyer accepts this Contract by: (a) executing a separate agreement with Value Plastics which incorporates these terms and conditions, (b) delivering a purchase order for Products (defined below) with quantities and delivery dates acceptable to Value Plastics; (c) accepting delivery of the Products; or (d) paying the price for the Products, whether prior to delivery or not, as agreed to by the parties and/or set forth in the quote or invoice, whichever of the four acceptance methods comes first. Any counteroffer or proposed addition to or supplement of, or any material variance from, the material terms and conditions of this Contract are hereby expressly objected to and rejected. If this Contract is responsive to a prior offer by Buyer, then this Contract shall be deemed an acceptance of such offer limited to the material terms and conditions stated in this Contract, and any additional or supplemental terms or any material variance from the terms and conditions of this Contract are expressly objected to and rejected. Any non-material variance from the terms of this Contract proposed by Buyer shall not operate as a rejection of this Contract, and shall be deemed a part of this Contract.
- 2. PRODUCTS.** Buyer agrees to buy, and Value Plastics agrees to manufacture and sell, the products ("Products") described in a quote or, if none, pursuant to any acceptable orders placed by Buyer under this Contract. To the extent Buyer provides any product specifications to Value Plastics, Buyer grants Value Plastics the right to use any such specifications to fill any orders placed by Buyer in connection therewith.
- 3. ORDERING.** Customer Service accepts telephone orders at 970-267-5200 from 7:00 am to 5:00 pm Mountain Time, Monday through Friday. Orders may also be placed by mail, fax at 970-223-0953, by email to orders@valueplastics.com or anytime at www.valueplastics.com. Orders must be placed using a Value Plastics part number. Most Products are shipped bulk in quantities of 100, 500, or 1,000 pieces, as molded and non-sterile. For all orders except those placed through www.valueplastics.com, customer reference numbers may be included on the invoice and packing slip if requested at order placement.
- 4. PRICE.** Prices for the Products are described on the quote or, if none, on Value Plastics' published price list and are effective for the period set forth in the quote, on the price list or, if none, until otherwise changed, which may occur at any time without notice to Buyer. Buyer shall pay Value Plastics the price for Products ordered set forth on the quote or as notified to Buyer on Value Plastics' invoice. Prices exclude all federal, state, or local taxes, and therefore such prices are subject to increase in the amount of any such tax (excluding tax on net income) that Value Plastics may be required to collect or pay upon the sale or delivery of the Products. All prices are, and all payments shall be made, in US dollars.
- 5. PAYMENT TERMS.** Value Plastics accepts checks, wire transfers, MasterCard, Visa or American Express and open account invoicing (upon completion and execution of a credit agreement satisfactory to Value Plastics). Unless prepaid or otherwise stated on the quote, invoice or order confirmation, payment terms for sales of Products are net 30 days after the date of Value Plastics' invoice. Buyer shall make all payments irrespective of whether Buyer has made or may make any inspection of any Product. Value Plastics may cancel or reschedule deliveries of products if Buyer fails to make any payment when due. Value Plastics' rights under this section shall be in addition to all other rights and remedies available to Value Plastics upon Buyer's default. Buyer shall be liable for all expenses attendant to collection of past due amounts, including attorney's fees.
- 6. FORCE MAJEURE.** Value Plastics shall not be liable for any delays in the delivery of orders, due in whole or in part, directly or indirectly, to fire, act of God, strike, shortage of raw materials, supplies or components, retooling, upgrading of technology, delays of carriers, embargo, government order or directive, or any other circumstance beyond Value Plastics' reasonable control.
- 7. DELIVERY TERMS.** Unless otherwise stated on a quote, if any, (a) all domestic deliveries shall be made F.O.B. Value Plastics' factory in Fort Collins, Colorado, USA and risk of loss of such Products shall transfer to Buyer upon delivery to the freight carrier; and (b) all international deliveries shall be made Ex Works Value Plastics' factory (Incoterms 2000), and, unless otherwise stated in a quote, if any, Value Plastics shall present the Products to the carrier, and risk of loss of such Products shall transfer to Buyer upon presentation. Orders for stocked product are usually shipped within 48 hours of receipt unless express delivery is specified. Value Plastics will attempt to meet the requirements of Buyer's delivery schedule and Value Plastics shall not be in default of performance due to a delay of reasonable duration resulting from any cause. Buyer shall pay, or reimburse Value Plastics for, all amounts due for import and export licenses and permits, custom charges and duties, penalties, freight, insurance and other shipping expenses. Unless otherwise instructed, selection of carrier and routing of all shipments shall be at Value Plastics' discretion. Shipment dates for export sales are approximate and are subject to receipt of all necessary Buyer information, and all necessary licenses, permits and other documents. A variation in the quantity of any Products which are especially made-to-order not to exceed plus or minus ten percent (10%) of the amount agreed upon will be considered to be in compliance with the agreement of the parties.
- 8. INSPECTION AND ACCEPTANCE.** Buyer must inspect delivered Products and report claims for any damages or shortages in writing within ten (10) days of delivery or the Products shall be deemed irrevocably accepted and such claims shall be deemed waived, except as provided in Section 10. In the event of source inspection by Buyer, Value Plastics reserves the right to designate the place within the plant where inspection may be performed and to deny access to areas and processes considered proprietary to Value Plastics.
- 9. TITLE.** Title to the Products shall stay with Value Plastics until Value Plastics receives payment in full for such Products. Buyer hereby recognizes that Value Plastics retains all right, title and interest in (a) all intellectual property rights in and to the Products; (b) all processes, methods, formula, ingredients, designs, procedures and other practices used by Value Plastics or relating to the manufacture and sale of the Products, including all intellectual property rights therein; and (c) all of Value Plastics' equipment and tooling used in the manufacture and sale of the Products, including all intellectual property rights therein, (collectively "Value Plastics Technology"). Buyer hereby assigns to Value Plastics all right (including intellectual property rights), title and interest it may now or hereafter possess in and to the Value Plastics Technology and in any derivative works of and improvements to the Products and agrees to execute all documents, and take all actions, that may be necessary to effect such assignment. Value Plastics is under no obligation to disclose any of the Value Plastics Technology to Buyer for any reason.
- 10. LIMITED WARRANTY AND REMEDIES.** Value Plastics warrants to Buyer that the Products shall be free from defects in materials and workmanship. Any claims for breach of the foregoing warranty shall only be valid if Buyer makes such claim within sixty (60) days of the date of shipment of the Product to which the claim relates, or such shorter period specified on a quote, if any, by notifying Value Plastics Sales Department in writing and obtaining a Return Material Authorization Number for the return of the Products (which is to be referenced on all return shipping documents). Buyer's exclusive remedy and Value Plastics' sole liability for any breach of the foregoing warranty shall be for Value Plastics, at Value Plastics' sole option, to repair, replace or modify the defective Product, or refund to Buyer the purchase price paid by Buyer for the defective Product. The warranty service shall be performed at Value Plastics' factory. In order to receive the warranty service, Buyer must return the defective Product within 30 days of notification from Buyer hereunder. All warranty claims will be handled pursuant to Value Plastics' standard RMA procedures. If Value Plastics determines that the original Products were not defective, Buyer shall reimburse Value Plastics all costs of handling, transportation and repairs at Value Plastics' prevailing rates. All defective Products returned under this warranty which are replaced or for which a refund is given to Buyer shall become Value Plastics property. **THE WARRANTY SET FORTH IN THIS SECTION 10 IS IN LIEU OF ALL OTHER WARRANTIES AND VALUE PLASTICS HEREBY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, INFRINGEMENT AND FITNESS FOR PARTICULAR USE.** Any repair or attempt to repair Products by anyone other than an authorized representative of Value Plastics automatically voids any warranty on those Products. Value Plastics' parts are not intended for human implantation or use in aircraft applications. Buyer may request free samples for testing and evaluation.
- 11. INDEMNIFICATION.** Buyer shall indemnify and hold harmless Value Plastics from all losses, claims, damages, expenses or liabilities of any kind (including attorney's fees and court costs) resulting from or arising out of any use by Buyer of the Products.
- 12. LIMITATIONS ON LIABILITY.** Value Plastics shall not be liable for any loss or damage caused by delay in furnishing the Products. **UNDER NO CIRCUMSTANCES SHALL VALUE PLASTICS BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, COLLATERAL, SPECIAL, PUNITIVE, TREBLE, EXEMPLARY OR INCIDENTAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR GOODWILL) WHETHER SUCH CLAIM IS BASED ON CONTRACT, NEGLIGENCE, TORT, WARRANTY OR ANY OTHER BASIS UNDER OR AS A RESULT OF THIS CONTRACT OR THE PRODUCTS, IRRESPECTIVE OF WHETHER VALUE PLASTICS HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE. IN NO EVENT SHALL VALUE PLASTICS' AGGREGATE LIABILITY UNDER OR AS A RESULT OF THIS CONTRACT EXCEED THE TOTAL AMOUNTS ACTUALLY PAID BY BUYER FOR THE PRODUCTS PURCHASED UNDER THIS CONTRACT.** The parties agree that the limitations on liability set forth in this Contract are independent of any exclusive or limited remedies, and shall survive and apply even if such remedies are found to have failed of their essential purpose. No action, regardless of form, arising out of the transactions under this Contract may be brought by Buyer more than 1 year after the events which gave rise to the cause of action occurred.
- 13. TERMINATION/CANCELLATION.** Value Plastics may terminate this Contract or orders placed hereunder with notice to Buyer if (a) Buyer fails to pay when due any sums payable hereunder and such failure continues for ten (10) days after the due date or (b) Buyer materially breaches its obligations hereunder, other than the payment of money, and such breach continues for a period of twenty (20) days after receipt by Buyer of written notice from Value Plastics specifying such breach. Buyer may not cancel all or any portion of an order for which Products have been shipped.
- 14. PROPRIETARY INFORMATION.** Value Plastics Products are components designed and manufactured to specifications developed, maintained, and controlled by Value Plastics. For the purpose of processing orders, Value Plastics requires no proprietary information from Buyer, and specifically requests that buyers refrain from including any information that may be considered proprietary. Buyer agrees that all non-public information furnished to Buyer by Value Plastics, including any variations in pricing from Value Plastics' standard prices for Products, is proprietary to Value Plastics and such information shall be held in confidence and shall not be used or disclosed by Buyer without Value Plastics' prior written consent. Buyer shall enforce against its employees and agents these obligations of confidentiality.
- 15. INSTALLMENT.** Value Plastics' failure to deliver, or nonconformity of, any installment under any installment agreement with, or blanket order from, Buyer shall not be a breach of this entire Contract.
- 16. EXPORT REGULATIONS; PERMITS.** Buyer will comply with the provisions of the United States Government's Export Administration regulations and related documentation requirements and internal control procedures. Buyer shall be responsible for obtaining any necessary export or import licenses and permits.
- 17. APPLICABLE LAW; VENUE.** This Contract shall be governed by and construed in accordance with the internal laws (and not the laws of conflicts) of the State of Colorado. The parties expressly waive the application of the United Nations Convention on Contracts for the International Sale of Goods to this Contract. Any action at law, suit in equity, or judicial proceeding of any kind arising directly, indirectly, or otherwise in connection with, out of, related to or from this Contract or the relationship between the parties shall be litigated only in the state or federal courts located in the City and County of Denver, Colorado and the parties waive any right they may have to challenge the jurisdiction of this court or seek to bring any action in any other forum, whether originally or by transfer, removal, or change of venue. The losing party in a lawsuit shall pay its own and the prevailing party's attorney's fees and expenses.
- 18. MISCELLANEOUS.** This Contract and any other agreement or document entered into by the parties which incorporate these Terms and Conditions by reference, constitute the final, complete, exclusive and entire agreement between the parties and supersede all prior or contemporaneous agreements, written or oral, regarding the subject matter of this Contract. The failure of Value Plastics to enforce at any time any of the provisions of this Contract shall not be construed to be a waiver of such provisions nor the right of Value Plastics to enforce such provisions in the future. Buyer may not assign any rights under this Contract or this Contract in whole or in part without the prior written consent of Value Plastics. Any prohibited assignment shall be null and void. This Contract shall inure to the benefit of successors in interest and permitted assigns. Value Plastics may subcontract any of its obligations hereunder. If any provision of this Contract is found to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions shall not be affected. The parties may only modify this Contract in a writing signed by both parties.