

**MULTI-COLOR CORPORATION**  
**TERMS AND CONDITIONS OF PURCHASE**

**Effective:** 01-01-2018

**Supersedes:** All previously provided Terms and Conditions of Purchase

- 1. INTEGRATION.** Purchases by Multi-Color Corporation (“MCC”), are governed by these terms and conditions, unless the parties have entered into a mutually executed written master agreement stating applicable terms and conditions. Seller agrees to sell, and MCC agrees to buy, the goods, articles, materials, or services (“Goods”) described on a MCC Purchase Order (“PO”) for the price, at the time, and on the terms of payment shown on the PO. The PO and the provisions of any drawings, prints, plans, descriptions, specifications, samples, data, and other documents expressly referred to therein and adopted by reference (“Documents”) constitute the entire agreement and supersede all proposals, negotiations, and counterproposals. These terms and conditions also apply to any repaired or replacement Goods provided by Seller under the MCC PO.
- 2. ACCEPTANCE.** The MCC PO expressly limits Seller’s acceptance to the specifications, terms and conditions of the MCC PO. No order is valid or binding upon MCC unless given on the MCC PO form, which must be properly signed by MCC, and Seller accepts the MCC PO in writing. MCC may withdraw the MCC PO at any time before written acceptance by Seller. If Seller fails to deliver the acceptance copy signed by Seller and delivers the goods, MCC is free to accept or reject Goods delivered. Such acceptance by MCC of Goods delivered is acceptance upon and such delivery of the goods (or start of any services) by the Seller shall constitute the agreement of Seller to all the specifications, terms and conditions of the MCC PO. If any of Seller’s prior proposals, quotations or writings is in conflict with the specifications, terms or conditions of this PO, the terms hereof shall govern. Notwithstanding that Seller may utilize its own form of acknowledgement or confirmation of sale in accepting this PO, any specification, term or condition in such form of acceptance which modifies, conflicts with, contradicts or adds to any specification, term or condition of this PO shall be deemed to be waived by Seller unless expressly accepted in writing by MCC. Unless agreed on the face of the PO, MCC is not obligated to any minimum purchase quantity or future purchase obligation under the MCC PO.
- 3. QUANTITY.** If Seller delivers to MCC more than 110% of the quantity of saleable Goods (or 103% of promotional Goods) ordered by MCC (the “Excess”), MCC may reject all or any of the Excess. Alternatively, MCC may elect to treat the Excess as having been given by Seller to MCC, gratis and without charge, if the Seller does not request in writing the return of the Excess within ten (10) days after shipment from the Seller’s plant. If MCC rejects any of the Excess or Seller requests return of the Excess within that ten (10) day period, Seller shall promptly pay MCC a handling charge of \$200.00 plus the cost of inbound and outbound freight for the Excess. If Seller delivers to MCC less than 95% of the quantity ordered by MCC, then, unless MCC rejects and returns to Seller at Seller’s expense the Goods delivered to MCC, Seller shall, as promptly as possible, deliver to MCC the balance of the Goods ordered by MCC. Said balance shall be delivered at Seller’s cost and Seller shall reimburse MCC for MCC’s costs and charges for processing and handling.
- 4. PRICE, PAYMENTS, AND DISCOUNTS.** Unless otherwise specified in the MCC PO, the price set forth on the PO includes all packaging, transportation costs to the Delivery Location, insurance and applicable taxes. The price set forth on the PO is not subject to escalation unless an escalation formula is expressly provided for on the face of the PO. Unless other terms are specified on the face of the PO or the parties have entered into a mutually executed written master agreement stating otherwise, MCC shall make payment within 60 days after the later of the acceptance by MCC of the Goods described in the PO or MCC’s receipt of correct invoices, less any applicable discounts or amounts disputed in good faith. If a prompt payment discount is provided for, the discount period begins when the Goods or invoices are received, whichever is later, provided the period will be extended for delays caused by errors in invoicing or good faith disputes over the accuracy of the invoice. When invoices subject to cash discount are not mailed on the date of shipment or are not accompanied by shipping documents, the discount period will be computed from the date when both the invoice and shipping documents are received by MCC. Seller shall conspicuously note on the invoice and packing list of final shipment ORDER COMPLETE. MCC may, prior to making any payment due under this PO, require Seller to deliver lien waivers from itself and each of its subcontractors and materialmen for

Goods previously delivered. Without prejudice to any other right or remedy MCC may be entitled to, MCC may set off at any time any amount owing to it by Seller against any amount payable by MCC to Seller.

5. **DELIVERY LOCATION.** All Goods shall be delivered to the address specified in the MCC PO (the “Delivery Location”).
6. **CHANGES.** Changes may be made by MCC at any time in the character or quantity of Goods to be furnished hereunder by written change order signed by the same authority executing the original PO for MCC. The price specified on the PO shall be adjusted pro rata if the change is in quantity, or by mutual agreement if the character or Goods or other terms are changed so as to increase or decrease the cost to Seller. Upon MCC’s request, Seller shall provide satisfactory evidence from which adjustments based on cost can be determined.
7. **CANCELLATION.** MCC shall have the option to cancel their PO in whole or in part by notice to Seller in writing at any time before the Goods are shipped and to return cancelled Goods at Seller’s expense, (a) if Seller defaults in performance hereunder in any material respect; (b) if in MCC’s opinion there has been a failure of Seller to make sufficient progress in the work so as substantially to endanger Seller’s performance hereunder; (c) if Seller shall cease to conduct its operations in the normal course of business; or (d) if Seller shall become insolvent, or make a general assignment for the benefit of creditors, or if a case shall be commenced by Seller, or against Seller and not dismissed within 30 days, under any bankruptcy, readjustment of debt, dissolution or liquidation law, including but not limited to the Federal Bankruptcy Code, or if a trustee, receiver, administrator, liquidator, conservator, sequestrator or other officer for the property or business of Seller shall be applied for by Seller, or otherwise appointed and not dismissed within 30 days.
8. **DELAY.** Time is of the essence to this PO. Failure of Seller to deliver the Goods and perform on the dates and in the quantities specified shall constitute a material breach of this agreement. At the outset of any delay from any cause, including Force Majeure, Seller shall immediately notify MCC in writing of the delay or anticipated delay and shall undertake to shorten the delay by all reasonable means. If such delay is caused by Force Majeure, the costs of shortening the delays shall be paid by MCC to the extent such costs are attributed to action authorized by MCC. If the delay is from any other cause, Seller shall be solely responsible for the costs of overcoming delays. MCC’s acceptance of deliveries and performance not conforming to the specifications, terms and conditions of the MCC PO shall not constitute a waiver of MCC’s rights. Delivery shall not be deemed to be complete until Goods have been actually received and inspected by MCC.
9. **EARLY DELIVERY.** In the event Seller delivers Goods prior to the delivery date specified in the MCC PO, MCC may return such Goods at Seller’s expense, and, following the return of the Goods, Seller shall redeliver such Goods on the date specified in the MCC PO.
10. **FORCE MAJEURE.** Neither party shall be liable for any delay or failure to deliver or accept any or all of the Goods where such delay or failure is caused by fire, flood, other act of God, act of war, labor disturbance, or other event beyond such party’s control (“Force Majeure”). Where only a portion of Seller’s capacity to perform is so impaired, Seller shall make a fair allocation of its remaining production among the various customers then under contract for similar Goods during the period. If this PO is for Goods to be used in the regular production of MCC’s facility, MCC may at its option delete the undelivered goods from this PO or appropriately extend the time for performance of this PO.
11. **INDEMNITY.** Seller shall defend, protect, indemnify and hold harmless MCC, any contractor, agent, employee of MCC, its customers and users of the Goods (collectively, “Indemnitees”), from all liability, loss, damage, cost or expense, including attorneys’ fees, paid or incurred by reason of the breach or claim of breach of any or all of the specifications, terms and conditions under this PO. Without limitation of the foregoing, Seller accepts full responsibility for and shall similarly indemnify MCC against (a) any claims by employees of Seller or its agents arising in connection with the Workmen’s Compensation Act or any employer’s liability insurance; (b) public liability claims and any other claims or liability from injuries or damages to any employee of Seller or its agents or other person or property arising from or in connection with work under this PO or otherwise performed on the premises of the MCC or its customer; (c) any claims or liability to any other persons caused by the fault or negligence of the Seller, its agents

or employees, or arising out of defects in the Goods; (d) the payment of any and all contributions of taxes for unemployment insurance or old age pensions and annuities now or hereafter imposed by the Government of the United States or any State or Territory thereof for employees of Seller or its agents; and (e) any claims by third parties that the use or possession of the Goods by MCC or any Indemnitee infringes or misappropriates the intellectual property rights of any third party.

- 12. INSPECTION.** All Goods supplied under this PO are subject to MCC's right of inspection prior to delivery and during performance and for a reasonable time after performance, delivery and acceptance, notwithstanding any prior payment. MCC, at its sole option, may inspect all or a sample of the Goods, and may reject all or any portion of the Goods if MCC determines the Goods are nonconforming or defective. If MCC rejects any portion of the Goods as a result of such inspection, MCC may, effective upon written notice to Seller, (a) rescind the PO in its entirety, (b) accept the nonconforming or defective Goods at a reasonably reduced price or (c) require replacement of the Goods. Rejected Goods or Goods requiring replacement shall be removed by and at the sole expense of the Seller immediately after notice to do so. If nonconforming or defective Goods are replaced, Seller shall, at its expense, replace and pay all related expenses, including, but not limited to, transportation of replacement Goods. If Seller is unable to deliver Goods acceptable to MCC within a reasonable time, MCC shall have the right to purchase such Goods from a third party provider and Seller shall pay for any difference in cost incurred by MCC as a result. In cases where the amount of Goods rejected or requiring correction exceeds Mil Standard 105D Double Sampling Plan for Normal Inspection - Table IIIA, or as otherwise specified, MCC shall have the right to conduct a 100% inspection or such other inspection as MCC deems necessary, and charge the cost of such inspection to Seller. Any inspection or other action by MCC under this Section 12 shall not reduce or otherwise affect Seller's obligations under this PO, and MCC shall have the right to conduct further inspections after Seller's remedial actions.
- 13. WARRANTIES.** Seller warrants that Goods delivered, the packaging, labeling and sorting thereof, any installation, repair, and maintenance of Goods and any other performance pursuant to this PO, will be (a) free of infringements of property rights of third parties, including without limitation, any patent, trademark, trade name, copyright or right of publicity; (b) free from defects in material and workmanship; (c) of merchantable quality; (d) fit for the intended use of MCC and MCC's customers; (e) of a grade and performance in conformity with all specifications, blueprints, designs, drawings, samples, models, descriptions, instructions and other items referred to in the MCC PO. Seller warrants that any services to be performed by Seller hereunder will be performed in a good and workmanlike manner in accordance with generally recognized industry standards. The warranties set forth in this Section 13 are cumulative and in addition to any other warranty provided by law or equity. Any applicable statute of limitations runs from the date of Buyer's discovery of the noncompliance of the Goods or Services with the foregoing warranties.
- 14. QUALITY.** All Goods furnished must strictly conform to the Documents and must be of the quality specified. No deviation or substitution of materials or components of any kind is permitted without the prior written consent of MCC. In the event no quality is specified, the Goods must be at least equal to the standards of the industry. MCC shall have the right at all times during the performance of this PO to conduct such tests and inspections as it deems necessary to assure Seller's compliance with this PO. MCC will be supplied, as needed, data, drawings, specifications, test results, quality documentation, schedules and other documents and information.
- 15. REPAIRS, REPLACEMENTS, RETURNS.** Notwithstanding said inspection, in the event any Goods are subsequently found either by MCC, its customers or users of the Goods to be defective in material or workmanship or merchantability, not in conformity with the specifications, terms and conditions of this PO or otherwise noncompliant with the warranties specified in Section 13, MCC shall have the option either (a) to reject such Goods and require Seller to correct, repair or replace the Goods at Seller's expense; (b) to correct and repair the Goods itself and charge the cost to Seller; or (c) to reject or return the Goods and recover from Seller the contract price therefor. Upon the giving to Seller of a notice of MCC's intention to return Goods to Seller, title to, and risk of loss for, all Goods sought to be returned shall pass to Seller. Seller shall bear the cost to MCC of unpacking, examining, repacking, storing and reshipping returned Goods. Seller hereby grants to MCC as collateral security for any and all sums which may at any time be due and owing to MCC from Seller, a lien on, and a security interest in all Goods sought to be returned which are in MCC's possession.
- 16. REMEDIES.** Seller, by its acceptance of the MCC PO, confirms its knowledge of the MCC's intended business use of the Goods and that any nonconforming performance by Seller could result in lost profits and business opportunities

to MCC. If Seller fails to comply with any or all of the specifications, terms and conditions contained herein, MCC shall be entitled, in addition to all other damages it may suffer thereby, to collect incidental and consequential damages including but not limited to damages for MCC's lost profits and business opportunities. MCC's remedies set forth herein are cumulative and in addition to all other remedies MCC may have under the Uniform Commercial Code, in equity or under applicable law, including without limitation any right to make reasonable substitute purchases and receive damages of the difference between the cost of such cover and the contract price, to receive damages or to receive specific performance. Without limitation of and in addition to the foregoing, in the event that MCC has supplied materials to Seller for use by Seller in the production or manufacture of Goods and the Goods so produced do not conform to the specifications, terms and conditions of this PO, Seller shall reimburse to MCC the total cost of all materials supplied by MCC to Seller.

- 17. SITE WORK.** If Seller is to perform any work, including supervision of installation, at the site of construction or at the office or on property of MCC, Seller shall carry at Seller's own expense: (a) Workers' Compensation Insurance as required by statute, (b) Contractor's Comprehensive General Liability Insurance, with limits for bodily injury and property damage of not less than \$2,000,000 per occurrence, which policy shall include premises and operation coverage, blanket contractual coverage, Owner's and Contractor's protective coverage, and completed operations coverage; and (c) Comprehensive Automobile Liability with limits for bodily injury and property damage of not less than \$2,000,000 per occurrence, which policy shall include owned, non-owned, and hired autos. At MCC's request, Seller shall also carry explosion, collapse, and underground coverage under its Comprehensive General Liability policy and Excess Liability in amounts specified by MCC. Seller shall, prior to commencing work, provide MCC with certificates evidencing all such coverages from insurance companies acceptable to MCC. Such certificates shall (a) except for the Workers' Compensation insurance, name MCC, its subsidiaries, affiliates, directors, officers, and employees as additional insureds with respect to liability, or any claims of liability, arising out of the work performed by Seller that affords the additional insureds that same coverage as if the additional insureds were the named insured. The parties intend this provision to be an express waiver of immunity under any applicable Workers' Compensation laws; (b) provide on its face that the policies it represents will not be terminated, amended, or allowed to expire without 30 days' prior written notice to MCC; and (c) provide on its face that the policies it represents contain severability of interests clause, generally providing, "the insurance afforded applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the company's liability."

Seller hereby warrants and represents that it has inspected the work site and is familiar with all working conditions which exist there, including subsurface conditions, and that it has made due allowance for such conditions in its price calculation and estimate of time for completion. Unless otherwise instructed by MCC, Seller will provide for receipt, unloading, storage, and protection of all materials for the work whether such materials are purchased by Seller or MCC. Seller shall at all times keep the work site reasonably neat and clean and upon completion shall remove and dispose of all rubbish, trash, and refuse. Seller shall be responsible for the proper use and storage of all Hazardous Substances, as defined by 40 C.F.R. 302.3, and all Hazardous Chemicals, as defined by 29 C.F.R. 1910.1200. Seller shall not generate any Hazardous Wastes, as defined by 40 C.F.R. 261.3, on site, without prior written authorization from MCC. In the event Seller generates such Hazardous Waste, Seller must notify MCC of the type and quantity and arrange with MCC for proper storage and disposal, at Seller's sole expense. Seller shall at all times coordinate its work and cooperate with the forces of other contractors on the work site and MCC's own forces. Seller shall at all times conduct itself in a safe and prudent manner in compliance with all applicable federal, state, and local safety laws, rules, and regulations, and all safety rules of MCC, including MCC's drug and alcohol policy. Seller's relationship to MCC under this PO shall be that of an independent contractor. Seller shall not be deemed to be or hold itself out to be the agent or employee of MCC for any purpose. Nothing contained in this PO shall be construed as creating any partnership, joint venture or other form of joint enterprise or fiduciary relationship between MCC and Seller, and neither party shall have authority to contract for or bind the other in any manner.

- 18. SHIPPING.** Unless otherwise expressly provided, Seller shall be obligated to make delivery F.O.B. MCC's premises as designated and shall provide MCC with all documents necessary to release Goods to MCC upon delivery. Seller will indicate plainly the PO number on all bills of lading, invoices and freight bills and all other documents pertaining to the MCC PO. Each package or shipment must contain a memorandum showing Seller's name, contents of package, and PO number. Partial shipments must be identified as such on shipping memoranda and invoices. Seller shall give written notice of shipment to MCC when Goods are delivered to a carrier for transport. When shipping, Seller will make no declaration of value to carrier except where shipment is subject to released value rating. Unless otherwise

specified in the PO, and notwithstanding any agreement to pay freight, express or other transportation charges, title to, and risk of loss of or damages to the Goods shall not pass to MCC until they actually have been received and accepted by MCC or its customers at the destination indicated in this PO. Except to the extent, if any, expressly limited in the "Description" section, on the face hereof, the price indicated in this order is for (a) all right, title and interest in and to the Goods described in that section, including, without limitation, any photographs, illustrations, musical compositions, designs or similar items described therein; and (b) the right to use the said Goods for all purposes, on a world-wide basis, forever. Insofar as the Goods are copyrightable, Seller hereby assigns and transfers to MCC all of its rights, title and interest in and to the copyright for the full term of copyright (including renewals) in all countries of the world.

- 19. TAXES AND DUTIES.** Unless otherwise provided in this PO or prohibited by law, Seller shall pay all federal, state and local sales, use, excise and other taxes and duties which may be imposed on the Goods ordered hereby or by reason of their sale or delivery. Any such taxes or duties charged to MCC shall be separately listed on Seller's invoice.
- 20. PACKING.** All Goods shall be suitably packed and marked for shipment, and no charge shall be made to MCC for containers, wrapping, packing, boxing, crating, delivery, storage or the like unless specifically authorized in this PO or by MCC in writing. All cartons and packages must bear PO number, budget code number and description or will be rejected.
- 21. PURCHASER'S PROPERTY.** All materials, dies, tools, drums, carboys, pellets, molds, cuts, engravings, drawings, samples, models, and other items heretofore or hereafter supplied by MCC shall remain the property of MCC and shall be used only for purposes of fulfilling this PO. Any unused portion of such items are to be returned to MCC immediately at any time upon demand by MCC or in any event, without demand therefor, upon completion of Seller's use thereof for purposes of this PO. Seller shall make no charge for MCC's use of Seller's dies, tools, drums, carboys, pallets, molds, cuts, engravings or other items supplied or for boxing, cartage, containers, reels, or other similar items, and unless specified to the contrary on the face of this PO, MCC will not return the aforesaid items. Insofar as the Goods are copyrightable, Seller hereby assigns and transfers to MCC all of its rights, title and interest in and to the copyright for the full term of copyright (including renewals) in all countries of the world.
- 22. WAREHOUSING TERMS.** All materials delivered by MCC to Seller for processing, packaging, labeling, or other work pursuant to this PO ("MCC Materials") shall remain the property of MCC, but Seller shall be responsible for any damage, deterioration or loss thereto. Seller shall store such materials in warehouse facilities providing adequate security and protection against fire, accident or deterioration and, in particular, subject to the following:

  - (a) Seller shall notify MCC of the proposed warehouse facilities prior to delivery by MCC of MCC Materials and prior to any relocation by Seller of any MCC Materials. All warehouse facilities shall be subject to inspection by MCC at any time upon reasonable notice.
  - (b) MCC reserves the right to reject at any time (whether before or after delivery of MCC Materials) any warehouse facilities for storage of MCC Materials if, in MCC's sole judgment, such facilities do not satisfy the requirements of this warehousing provision. Failure of MCC to reject, or approval by MCC of, any warehouse facilities shall not, however, diminish Seller's responsibility hereunder for the safety, security and adequate storage of MCC Materials or MCC's recourse against Seller for any damage, deterioration or loss to MCC Materials.
  - (c) All warehouse facilities shall be clean, dry and otherwise adequate to protect the MCC Materials against damage, deterioration or contamination as appropriate, shall meet all local fire and safety code requirements and shall be adequately protected against theft and vandalism
  - (d) Seller will maintain Comprehensive General Liability insurance in amounts not less than \$500,000 per occurrence for bodily injury and \$500,000 per occurrence for property damage. Such insurance shall include contractual liability insurance, product liability insurance and broad form vendors coverage. Seller will also maintain Property Damage insurance for the perils of fire, theft, extended coverage, and vandalism and

malicious mischief in amounts sufficient to cover loss or damage to MCC Materials. At the request of MCC, Seller shall furnish MCC with satisfactory evidence of such insurance coverage.

- (e) Seller shall keep the MCC Materials free from all liens or other encumbrances. In the case of warehouse facilities not owned or leased by Seller, Seller shall furnish MCC with a valid waiver of any warehouseman's lien against the MCC materials.

- 23. **ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES.** Seller shall adhere to MCC's Supplier Environmental/Social Responsibilities Additional Terms and Conditions, which are set forth in Appendix A of this PO. Seller shall use its best efforts to promote and request that Seller's suppliers and subcontractors comply with these Supplier Environmental/Social Responsibilities Expectations.
- 24. **NO TRANSFER OR ASSIGNMENT.** Seller will not, without the prior written authorization of MCC, sell, transfer or deliver to any third party or otherwise dispose of any rejects, raw materials, product bulk, components, work in progress or finished Goods, obtained, used or produced hereunder or pursuant hereto. Seller shall not assign any of its rights or delegate any of its duties hereunder (whether by written instrument, merger, operation of law or otherwise) without MCC's prior written authorization. Any such unauthorized assignment or delegation in contravention of this provision shall be void and shall subject MCC to all remedies provided by this PO in equity or under applicable contract law. MCC may at any time assign or transfer any or all of its rights or obligations under this PO without Seller's prior written consent to any affiliate or to any person acquiring all or substantially all of MCC's assets.
- 25. **AMERICAN STANDARDS.** Seller warrants that in furnishing the Goods hereunder, all applicable American standards (including, but not limited to, ANSI, ASME, ASTM, and NEMA) have been complied with at the time of delivery. When Goods purchased hereunder are to be manufactured or produced outside the United States or its territories, Seller shall furnish, at MCC's request, documents stating the foreign manufacturers' or producers' names and addresses and containing written assurances of compliance with American standards.
- 26. **LAWS.** Seller shall, in its performance of the MCC PO, comply with all applicable federal, state, and local statutes, rules of law, ordinances, regulations, and regulatory orders, including, but not limited to, the Fair Labor Standards Act of 1938, as amended, Walsh-Healy Act, Robinson-Patman Act, applicable state Workers' Compensation laws, state and federal Occupational Safety and Health Acts, and all rules and regulations passed pursuant thereto, which are incorporated herein by this reference. Seller agrees to be subject to all applicable contract clauses required by federal, state, or local law, rule, or regulation to be included in this PO, including, but not limited to, the following clauses, which are incorporated herein by this reference: Equal Opportunity Clause (41 CFR 60.1.4); Affirmative Action Clause for Disabled Veterans and Veterans of the Vietnam Era (41 CFR 60-250.4); Affirmative Action Clause for Handicapped Workers (41 CFR 60-741.4); and the Certification of Non-segregated Facilities Clause (41 CFR 60.1.8; 41 CFR 1-12.803.10). In addition, Seller agrees and certifies, if applicable, that it has developed a written affirmative action compliance program (41 CFR 60-1.40(a)) and annually files Standard Form 100 (EEO-1) (41 CFR 60-1.7 (a)). Seller shall furnish to MCC appropriate guarantees or certifications as prescribed by said Acts and any other law, ordinance, regulation, order or decree referred to above. In the event any Goods purchased hereunder shall become a banned hazardous substance under the Federal Hazardous Substances Labeling Act, or be the subject of a recall or market withdrawal deemed necessary or advisable by MCC under any of the above-mentioned Acts, Seller agrees that it will take back all such Goods in the possession of MCC and its customers, and Seller will promptly reimburse MCC for such returned Goods at the price originally paid by MCC to Seller, plus all costs incurred by MCC and its customers for packing and return shipment to Seller. Such Goods shall be subject to the provisions on Returned Goods under Section 11 hereof. The decision to institute such a product recall or market withdrawal as well as the extent and administration of such product recall or market withdrawal shall be within MCC's sole discretion, provided that MCC shall comply with all relevant laws. In the event that MCC acquires information which requires notification under Section 15 of the Consumer Product Safety Act, or any similar notification statute, it is agreed that MCC will incur no liability to Seller as a result of such notification.
- 27. **FINAL ACCEPTANCE.** On completion of this PO, Seller shall cooperate in carrying out any tests MCC deems necessary to determine the proper functioning and general performance of the Goods and, at its own cost, shall make any adjustments and changes required to the end that an efficient and fully operative project will result. Final acceptance by MCC will be conditional upon fulfillment of this requirement.

**28. TERMINATION FOR CAUSE OR CONVENIENCE.** In the event of default, bankruptcy, insolvency, material breach or failure or inability of Seller to perform ("Cause"), MCC may immediately terminate this PO, and in the event of such termination, MCC shall pay Seller (a) the unit price for each item of Goods properly furnished and accepted prior to cancellation, plus (b) the salvage value of Goods in process of manufacture, including unused materials, which are identified to and being manufactured or fabricated specifically for this PO which shall be promptly delivered to MCC, but in no event shall the amount payable exceed the contract price, less the cost to MCC of completion or procurement of substitute conforming Goods, less other damages, and less any payments previously made. MCC's termination of this PO for Cause is in addition to any other remedy that may be provided under this PO.

Additionally, this PO is subject to cancellation at the option of MCC. Where the PO is canceled for the convenience of MCC, Seller shall be paid (a) the unit price for each item of Goods properly furnished and accepted prior to cancellation, plus (b) the cost of Goods in process of manufacture, including unused materials, which are identified as being manufactured or fabricated specially for this PO which shall be promptly delivered to MCC, plus (c) overhead and profit allocable to specialized Goods in process of manufacture, but in no event shall the amount payable exceed the contract price, less any payments previously made.

**29. CONFIDENTIALITY.** Seller, on behalf of itself and its employees, agrees that any ideas, know-how, concepts, information, or processes received from MCC or created by Seller in connection with the performance of this PO shall be the property of MCC and shall be preserved in strictest confidence by Seller and shall not be used or disclosed by Seller to third persons except to the extent that such use or disclosure is necessary for the proper performance of this PO. If disclosure to third persons is necessary, Seller shall notify MCC of such disclosure and obtain MCC's written authorization prior to disclosing any MCC Confidential information. Seller shall insure that such third persons hold such information in strictest confidence.

**30. GOVERNING LAW.** Except where inconsistent with the terms and conditions contained herein, this PO shall be governed by the Uniform Commercial Code provisions applicable to transactions in goods ("UCC"), regardless of whether this PO is characterized as a transaction in goods or a transaction in services. This PO shall be interpreted and enforced under the laws of the state of Ohio.

**31. MASTER CONTRACT.** If this PO is issued as shipping instructions (and/or release document) pursuant to the terms of an existing contract between MCC and seller, this PO shall be governed exclusively by the terms of such existing contract.

**32. HAZARD COMMUNICATION STANDARD.** If the Goods sold hereunder are subject to the OSHA Hazard Communication Standard, 20 CFR Part 1910, or to such other state hazard communications laws, regulations, or standards as OSHA may have approved (the "Standard"), Seller shall provide MCC with a complete and accurate Material Safety Data Sheet for each of the Goods sold hereunder and shall label each of the Goods as required by the Standard. Seller's failure to supply such Sheet or to so label the Goods shall be deemed to constitute Seller's warranty, representation, and covenant that each of the Goods sold hereunder is exempt from the Standard.

**33. PROPOSITION 65.** Seller warrants that all Goods sold hereunder will not, under normal conditions of shipment, storage, or use, cause any person to be exposed to a chemical which is a carcinogen or a reproductive toxin listed under the California Safe Drinking Water and Toxic Enforcement Act of 1986 in quantities which would require that a warning be given prior to such exposure under the Act.

**34. NOTICES.** All notices, requests, consents, claims, demands, waivers and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set forth in the PO or to such other address that may be designated by the receiving party in writing. All Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this PO, a Notice is effective only (a) upon receipt of the receiving party, and (b) if the party giving the Notice has complied with the requirements of this Section.

- 35. MODIFICATIONS AND AMENDMENTS.** No waivers, amendments, or modifications of any of the terms or conditions of the PO shall be valid unless reduced to writing and signed by both parties. The terms and conditions of this PO shall not be amended or modified by the course of performance or course of dealing between the parties.
- 36. ENTIRE AGREEMENT.** The specifications, terms and conditions of the MCC PO constitute the entire agreement and understanding between the parties pertaining to the subject matter hereof. This PO is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this PO. No agent of MCC is authorized to bind MCC except by the MCC PO. No interpretation, change, termination or waiver of any of the specifications, terms or conditions hereof shall be binding upon either party unless in writing and signed by the duly authorized officer of that party. No waiver of any specification, term or condition of or default under the MCC PO shall affect the right of any party thereafter to enforce said specification, term or condition or any other specification, term or condition hereof or to exercise any right or remedy in the event of any other default, whether or not similar. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this PO operates, or may be construed, as a waiver thereof. The invalidity of any specification, term or condition of the MCC PO shall not affect the validity of any other specification, term or condition.



## Appendix A



# **Multi-Color Corporation's Supplier Environmental/Social Responsibilities Additional Conditions**

In addition to full compliance with all applicable environmental laws, we expect our suppliers to integrate environmental responsibility into their businesses. Suppliers should work to safeguarding the health and safety of workers and the public while minimizing adverse effects on the community, the environment and natural resources. All reasonable efforts should be taken to minimize waste in all aspects of manufacturing. Our supplier environmental standards are:

### **Air emissions**

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterized, routinely monitored, controlled and treated as required, prior to discharge. Supplier shall conduct routine monitoring of the performance of its air emission control systems where appropriate.

### **Materials**

Suppliers are to adhere to all applicable laws, regulations and MCC requirements regarding prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal. At MCC's request, Suppliers are expected to provide to MCC reports on the occurrence of substances in any materials supplied to MCC that may be restricted by, or require disclosure to governmental bodies, customers and/or recyclers.

### **Energy consumption and greenhouse gas emissions**

Energy consumption and greenhouse gas emissions are to be tracked and documented, at the facility and/or corporate level. Suppliers are to look for cost-effective methods to improve energy efficiency in their operations and to minimize their energy consumption and greenhouse gas emissions.

### **Environmental permits and reporting**

All required environmental permits (e.g. discharge monitoring), approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

### **Hazardous substances**

Chemicals and other materials (including wastes) posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

### **Solid waste, Storm Water and wastewater**

Supplier shall implement a systematic approach to identify, manage, and responsibly dispose of or recycle solid waste (nonhazardous). Wastewater generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal. Supplier shall conduct routine monitoring of the performance of its wastewater treatment systems where appropriate. Supplier shall implement a systematic approach to prevent contamination of storm water runoff. Supplier shall prevent illegal discharges and take steps to ensure that spills are contained.

### **Transportation**

Suppliers are expected to comply with all applicable laws governing the transportation of goods and materials. If handling Hazardous Materials\* in the United States, suppliers are expected to be registered with the U.S. Department of Transportation as a Hazardous Materials shipper and are expected to be trained, tested and certified to package, mark, label and ship Hazardous Materials as required by law. If handling Dangerous Goods\* outside the United States, suppliers are expected to be trained in and shall comply with applicable transportation regulations for air, ocean or land cargo.

*\*Hazardous material/dangerous good means a substance or material that has been determined by a regulatory agency (i.e., U.S. Department of Transportation, International Maritime Dangerous Goods Code of the International Maritime Organization, etc.) to be an unreasonable risk to health, safety and property when transported in commerce and which has been so designated.*

### **Legally harvested plant materials**

Suppliers are expected to supply to MCC materials containing plant materials or their derivatives that are legally sourced, harvested and exported from their country of origin. Suppliers are expected to adopt policies and management systems with respect to the U.S. Lacey Act, the EU Timber Regulation and similar laws and to require their suppliers to adopt similar policies and systems. Further, MCC expects its suppliers to provide papers that are FSC certified whenever feasible.

### **Conflict minerals**

If materials supplied to MCC contain any tantalum, tin, tungsten or gold that are necessary to the production or functionality of such products under Section 1502 of the U.S. Dodd-Frank Act and its implementing regulations, supplier must: (i) disclose the presence of these minerals; (ii) provide on request information on the smelters and refiners in the relevant supply chains of these minerals and other information consistent with industry standard conflict minerals reporting templates; (iii) adopt a policy to reasonably assure that the minerals do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of Congo or an adjoining Country; and (iv) adopt a due diligence management system regarding the minerals and require their suppliers to adopt a policy and management system

### **Labor Practices**

In doing business with Multi-Color you must comply with the following conditions: Child labor is prohibited; involuntary labor shall not be used under any circumstance; you will not engage in human trafficking; you must confirm employees will have proper documentation to work within the country that they are employed; and employees will not be discriminated against based on age, gender, racial characteristics, maternity or marital status, nationality or cultural, religious or personal beliefs in relation to hiring, wages, benefits, or termination. You will provide a safe and sanitary work environment and comply with all applicable environmental laws.

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