

General Terms and Conditions of Purchase

1. Scope

1.1 Supplier acknowledges and agrees that these General Terms and Conditions of Purchase (the "Terms and Conditions") are incorporated in, and made a part of, each purchase order, requisition, work order, shipping instruction, specification or other document, whether expressed in written form, by electronic data interchange or other tangible format provided to Supplier. The Terms and Conditions shall be applicable to all purchases made by Omega Plastics, Inc. ("Buyer"), from the Supplier, whether

and Buyer shall have the right to setoff against or to recoup any amounts due to Supplier and its affiliates or subsidiaries from Buyer.

2.6 Supplier may not assign any accounts receivable from Buyer to third parties without the prior written approval of Buyer.

2.7 Supplier warrants that the prices for the Supplied Goods sold to Buyer are no less favorable than those prices Supplier currently extends to any other customer for the same or similar Supplied Goods in similar quantities. If Supplier reduces its prices to third parties during the term of a Purchase Order for the Supplied Goods, Supplier shall correspondingly reduce the prices charged to Buyer. Supplier warrants that the prices on the Purchase Order are complete and that no other charges will be added without Buyer's written consent.

2.8 Buyer has the right to audit and review all records of Supplier to enable Buyer to verify the accuracy of the amounts charged for the Supplied Goods, assess Supplier's

4.3 At the request of Buyer, Supplier shall provide an appropriate certificate stating the country of manufacture of the Supplied Goods.

4.4 Supplier shall comply with all quality requirements as specified by Buyer, including, but not limited to, QS 9001, 13d[sq()T]J0j0 Tc 0l04 Tc -0.004 Tw 0.280Tc 2Uc0-02002-0004 39.00

an agent or consignee duly designated by Buyer, at the location indicated on the Purchase Order.

10. Changes.

10.1 Buyer may at any time change packing, destination, specifications, designs, drawings and delivery schedules. If any such change causes an increase or decrease in the cost of or time required for performance of a Purchase Order by Supplier, an equitable adjustment shall be negotiated promptly and in good faith by the parties, and the Purchase Order shall be modified in writing accordingly. Supplier must submit in writing any claim for adjustment to Buyer within thirty (30) days from the date that notification of the change is received by Supplier. Upon approval of the claim by Buyer, any excess or obsolete Tools or Supplied Goods set forth in the claim shall become the property of Buyer, to dispose or utilize as Buyer deems necessary. Notwithstanding the foregoing, Supplier shall be required to continue to perform under the revised Purchase Order. Supplier shall not make any change to the product, process, materials, formulation, packaging, labeling, software, environmental conditions, quality assurance process, equipment, production location or subcontractor that could in any way affect the quality of the items purchased, without prior written notification and approval of Buyer.

11. Acceptance of Supplied Goods

11.1 The Purchase Order shall be deemed to have been accepted by Supplier and constitute a binding contract upon the earlier of Supplier's (a) written acknowledgment, (b) commencement of work on the Supplied Goods or (c) shipment of the Supplied Goods. Buyer may revoke its offer or terminate a Purchase Order without liability to Supplier at any time before Buyer receives actual notice of Supplier's acceptance. If the Purchase Order shall be deemed accepted based on a prior offer by Supplier, such acceptance is limited to and expressly made conditional on assent to the express terms set forth in the Purchase Order.

11.2 Buyer and its customers shall have the right to enter Supplier's premises at reasonable times to verify that the Supplied Goods conform to the Purchase Order. Supplier agrees to provide all supporting documentation requested by Buyer in the course of the investigation. Final acceptance of the Supplied Goods by Buyer shall not be conclusive with respect to latent defects or misrepresentations.

11.3 Buyer reserves the right to reject or revoke acceptance of nonconforming

retrieve the non-conforming Supplied Goods. If defects or deficiencies in the Tools provided by Supplier are discovered by Buyer prior to a successful runoff and final

termination after default or breach of Supplier), Supplier shall be reimbursed for (a) the Purchase Order price for all finished goods or performed services which conform to the Purchase Order and are delivered to Buyer, and (b) Supplier's reasonable actual cost of work in process or raw materials which Supplier produced or acquired in connection with such Purchase Order and which Supplier cannot reasonably use in its operations within ninety (90) days after the date of termination. Supplier shall furnish any claim for reimbursement of costs within 30 days after termination.

or delegation without the prior written consent of Buyer, at the option of Buyer, shall serve as a cancellation of the Purchase Order. Any consent by Buyer to an assignment shall not waive Buyer's right to recoupment from Supplier or its assigns for any claim arising out of these Terms and Conditions. If Buyer agrees to the assignment of the Purchase Order, in whole or in part, Supplier shall remain solely liable to Buyer for the adherence of the assignee to these Terms and Conditions. In addition, Buyer may terminate these Terms and Conditions upon giving at least thirty (30) days written notice to Supplier, without any liability to Supplier, if Supplier (i) sells, or offers to sell, a material portion of its assets, (ii) sells or exchanges, or offers to sell or exchange, or causes to be sold or exchanged, a sufficient amount of its stock or other equity interests that effects a change in the control of Supplier or (iii) executes, or otherwise becomes subject to, a voting or other agreement or trust that effects a change in the control of Supplier.

19.2 Force Majeure. Any delay or failure of either party to perform its obligations shall be excused if caused by an extraordinary event or occurrence beyond the control of the nonperforming party and without the nonperforming party's fault or negligence, such as acts of God, fires, floods, windstorms, explosions, riots, natural disasters, wars, terrorist attacks and sabotage. Written notice of the delay, including the anticipated duration of the delay, must be given by the nonperforming party within ten (10) days of the event. During the period of any delay or failure to perform by Supplier, Buyer, at its option, may purchase Supplied Goods from other sources and reduce its schedules to Supplier by such quantities, without liability to Buyer, or cause Supplier to procure the Supplied Goods from other sources in quantities and at times requested by Buyer and at the price set forth in the Purchase Order. If requested by Buyer, Supplier shall, within five

