

Midland Packaging Systems Terms and Conditions

1. General

These Terms and Conditions (“T&Cs”) govern all sales of packaging equipment, material handling equipment, related materials, and system design/installation services by Midland Paper Company, d/b/a Midland Packaging Systems (“Seller”). The (“Buyer”) placing an order with Seller agrees to be bound by these T&Cs. No terms or conditions in Buyer’s purchase orders or other documentation shall modify or supersede these T&Cs unless expressly agreed to in writing by Seller.

2. Scope of Supply

Seller distributes equipment from multiple manufacturers and provides system design, integration where applicable, installation, and training services. Seller does not manufacture the equipment but coordinates with original manufacturers and subcontractors to deliver integrated solutions.

3. Quotations and Orders

Written quotations are valid for 30 days, unless otherwise stated. Payment Terms are outlined in the proposal and all payments are 30 days net. Orders are binding upon acceptance by Seller. All orders are non-cancellable and non-refundable once acknowledged in writing by Seller, except if expressly agreed otherwise in writing. This includes standard, custom, and special-order equipment.

4. Pricing, Tariffs, and Payment

Prices exclude applicable taxes, freight, insurance, duties, tariffs, surcharges, and installation, unless expressly included. Buyer shall bear all costs associated with tariffs, customs duties, trade compliance requirements, and other government-imposed fees, including changes imposed after the order date but before delivery. Seller payment terms are Net 30 days from invoice date, unless otherwise agreed in writing. Late payments may accrue 1.5% monthly interest (or the maximum allowed by law). Seller reserves the right to suspend shipments or installation until overdue accounts are settled.

5. Delivery and Risk of Loss

Delivery dates are estimates only. Seller is not responsible for delays caused by manufacturers, carriers, labor shortages, tariffs, strikes, or other events beyond Seller’s control. Title passes to Buyer upon full payment; risk of loss transfers upon shipment from manufacturer or warehouse.

6. Installation and Site Conditions

Installation services may be performed by Seller or qualified subcontractors. Buyer shall ensure site readiness, including:

- Electrical power, compressed air, data connectivity, drainage, or other utilities.
 - Adequate staging, unloading, rigging, and secure storage of equipment.
 - Floor load capacity and environmental compliance with manufacturer specifications.
- Additional costs will apply if the site is not ready at the scheduled installation.

6A. Third-Party and In-House Installation Services

- a) Authorized Installers: Seller may perform installation, integration, and start-up services using its own employees or qualified subcontractors (“Installers”). Seller remains responsible for overall project performance and coordination of such Installers.
- b) Insurance Requirements: All Installers shall maintain, at minimum, Commercial General Liability (\$1 million per occurrence), Workers’ Compensation, and Automobile Liability insurance, naming Seller and Buyer as additional insureds. Certificates of insurance shall be provided upon request prior to site work.

- c) **Safety and Compliance:** All Installers shall comply with OSHA, NFPA, and all applicable local, state, and federal safety and building codes. Seller shall ensure that all subcontractors are properly trained, supervised, and equipped while performing services on Buyer's premises.
- d) **Workmanship Warranty:** Seller warrants that all installation, start-up, and integration services performed by Seller or its Installers will meet industry workmanship standards and shall be warranted for the same period and under the same conditions as the applicable manufacturer's equipment warranty. This warranty excludes misuse, alteration, or damage caused by Buyer or other third parties.
- e) **Installer Indemnity:** Each Installer shall indemnify and hold Seller and Buyer harmless from any claims, losses, damages, or liabilities arising out of Installer's acts or omissions, including bodily injury or property damage occurring during installation or related work.

7. Multi-Manufacturer Systems

For systems involving multiple manufacturers, Seller coordinates specifications and interfaces as outlined in the Functional Specifications Document (FSD) and proposal. Manufacturer warranties apply individually. Seller does not guarantee cross-compatibility beyond what is stated in Seller's FSD or proposal.

8. Warranties

Seller passes through the manufacturer's warranty on equipment and parts. Warranties exclude misuse, neglect, improper maintenance, site issues, or normal wear items.

9. Functional Specifications Document (FSD) and Acceptance

For engineered projects, Seller will issue a Functional Specifications Document (FSD) outlining scope, integration, and performance requirements. The FSD must be signed off by Buyer at the time of order placement unless otherwise noted in proposal milestones. No equipment will be ordered without signed FSD approval. Factory Acceptance Tests (FAT) and/or Site Acceptance Tests (SAT) will be conducted per the agreed proposal.

10. Non-Cancellation

All orders are non-cancellable upon acceptance. Buyer acknowledges that Seller is committing funds, engineering resources, and manufacturer orders that cannot be reversed. Custom-engineered, specially configured, or imported equipment is strictly non-cancellable.

11. Limitation of Liability

Seller's liability is limited to repair, replacement, or refund under applicable manufacturer or Seller warranties. Seller is not responsible for consequential damages including lost production, downtime, or lost profits. Buyer's exclusive remedy is limited to the purchase price of the specific equipment or service in dispute.

12. Indemnification

Seller's Indemnification: Seller agrees to indemnify, defend, and hold Buyer harmless from and against claims, damages, or liabilities arising directly from Seller's gross negligence, willful misconduct, or failure to perform installation services in accordance with industry standards. Seller's indemnification obligations are limited to the value of the equipment or services provided and exclude indirect or consequential damages.

Buyer's Indemnification: Buyer agrees to indemnify, defend, and hold Seller harmless from and against claims, damages, or liabilities arising from Buyer's misuse, neglect, unauthorized modifications, unsafe operation, or failure to maintain equipment in accordance with manufacturer guidelines and site requirements. Buyer will also indemnify Seller against claims by third parties for intellectual property infringement or issues arising from Buyer's operations and production environment.

Limitations: Neither Buyer nor Seller shall be liable for indirect, incidental, or consequential damages (including but not limited to lost profits, production losses, or downtime), and each party's indemnification obligation is capped at the total contract value, except to the extent caused by gross negligence or willful misconduct.

13. Force Majeure

Seller shall not be liable for delays, non-performance, or interruption of performance caused by events beyond its reasonable control, including but not limited to acts of God, natural disasters, fire, flood, war, terrorism, civil unrest, labor disputes, material shortages, transportation failures, supplier delays, equipment failures, pandemics, government actions, or other events that render performance commercially impracticable. Seller shall notify Buyer promptly upon becoming aware of such an event. Obligations affected by force majeure shall be suspended during the event and resume once conditions allow. Seller shall take reasonable steps to mitigate delay. Force majeure shall not relieve Seller of communication, coordination, documentation, or restart obligations.

14. Governing Law

These T&Cs shall be governed under the laws of the state where Seller is headquartered. Any disputes shall be adjudicated exclusively in that jurisdiction.

15. Entire Agreement

These T&Cs, along with Seller's proposals, quotations, and Buyer-approved FSDs, represent the entire agreement between the parties. Any prior communications not expressly included are superseded.

Acceptance of Terms

Authorized Signature (Seller)

Authorized Signature (Buyer)

Name & Title

Name & Title

Date:

Date: