

TERMS & CONDITIONS OF SALE

Effective Date: March 1, 2026

These Terms and Conditions of Sale (the "Terms") apply to all quotations, orders, sales, and deliveries of goods ("Products") by Farnell Packaging Limited ("Seller") to any purchaser ("Buyer"). Acceptance of Seller's quotation, issuance of a purchase order, acceptance of delivery, or payment constitutes acceptance of these Terms. Any terms proposed by Buyer that are inconsistent with or in addition to these Terms are expressly rejected unless agreed to in writing by Seller.

1. Orders; Acceptance; Modification; Cancellation

All quotations are valid for thirty (30) days unless otherwise stated and are subject to acceptance by Seller. Orders become binding upon Seller's written acceptance, issuance of an order acknowledgment, commencement of production, or procurement of materials, whichever occurs first.

Buyer may request modifications to an order; however, no modification shall be binding unless accepted in writing by Seller. Seller may, in its sole discretion, accept or reject any requested modification.

Orders may not be cancelled by Buyer without Seller's prior written consent. If cancellation or modification is approved, Buyer shall remain liable for all costs incurred, including materials, work-in-progress, tooling, administrative costs, and a reasonable allocation of overhead and lost production capacity. Seller may invoice such amounts immediately. Orders for custom or printed Products may not be cancelled once production has commenced, except as expressly agreed by Seller in writing.

2. Quantities; Commercial Tolerances

A good commercial delivery shall consist of the following tolerances:

Orders sold by weight (lbs):	Orders sold per impression or per bag:
Under 500 lbs: $\pm 40\%$	15,000–30,000: $\pm 40\%$
501–2,000 lbs: $\pm 20\%$	30,001–50,000: $\pm 20\%$
2,001–3,000 lbs: $\pm 15\%$	50,001–100,000: $\pm 15\%$
Over 3,000 lbs: $\pm 10\%$	Over 100,001: $\pm 10\%$

Quantities delivered within these tolerances shall be deemed complete fulfillment of the order and invoiced accordingly. Seller reserves the right to apply reasonable commercial tolerances consistent with industry standards for quantities outside these ranges.



3. Delivery; Shipping; Risk of Loss; Lead Times

Any delivery dates or lead times are estimates only and may vary based on order size, product type, specifications, material availability, and production capacity at the time of order confirmation. Buyer is responsible for confirming current lead times at the time of order confirmation.

Unless otherwise agreed in writing, prices may be quoted FOB Seller's facility. Risk of loss transfers to Buyer upon tender of goods to the carrier, regardless of who arranges freight. Delivery dates are not guaranteed.

Split shipments may be made at Seller's discretion or at Buyer's request and may result in additional freight, handling, processing fees, or revised pricing. Seller may invoice such charges separately. Total quantities must be accepted within 90 days of first shipment.

4. Prices; Taxes; Tariffs

Prices exclude all taxes, duties, tariffs, or government charges unless stated otherwise. Buyer is responsible for all such charges, including tariffs imposed after invoice issuance.

5. Payment Terms; Credit

Payment terms are as stated on Seller's invoice. Past-due balances may accrue interest at 5% per month or the maximum rate permitted by law. Buyer is responsible for all collection costs. Seller may suspend production or require prepayment if Buyer's creditworthiness deteriorates.

6. Inspection; Claims; Returns

Buyer must inspect Products upon receipt. Any claims for shortages, visible damage, or nonconformance must be made in writing within ten (10) days of delivery.

Claims for defective Products (including latent defects not reasonably discoverable upon initial inspection) must be submitted in writing within three hundred sixty-five (365) days from the date of shipment. Failure to provide notice within the applicable time period shall constitute an irrevocable acceptance of the Products and a waiver of such claims.

No returns will be accepted without Seller's prior written authorization and issuance of a return material authorization (RMA) number.

7. Custom Products; Artwork Approval

Custom or printed Products are non-returnable except for proven defects. Buyer is responsible for final approval of artwork and specifications.



8. Warranties; Limitation of Remedies

Seller warrants Products meet agreed specifications. All other warranties are disclaimed. Seller's sole obligation is replacement or refund, at Seller's option.

9. Limitation of Liability

Seller shall not be liable for indirect or consequential damages. Seller's total liability shall not exceed the amount paid for the affected Products. No action may be brought more than one (1) year after shipment.

10. Technical Advice

Any technical advice is provided without warranty and used at Buyer's risk.

11. Intellectual Property; Indemnity

Buyer warrants it has rights to all supplied content and shall indemnify Seller against related claims.

12. Force Majeure

Neither party shall be liable for delays beyond reasonable control. Seller may allocate or cancel affected quantities.

13. Governing Law; Jurisdiction

These Terms are governed by the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein. The parties attorn to the exclusive jurisdiction of Nova Scotia courts.

14. General

These Terms constitute the entire agreement. No waiver or modification is binding unless in writing. If any provision is unenforceable, the remainder shall remain in effect.

