

EACH PURCHASE ORDER ISSUED BY
GLOBAL RETAIL MERCHANDISING LLC
IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1. Acceptance. Each purchase order constitutes an offer on the part of Global Retail Merchandising LLC ("Purchaser") upon the terms and conditions stated herein and on the face of the purchase order, and these terms and conditions constitute an integral part of the purchase order. This order will be accepted and will constitute a binding contract upon Purchaser upon (i) Seller's written acknowledgment of the purchase order, or (ii) commencement of the performance described in this purchase order by Seller, or (iii) delivery of any part of the goods or services described on the face hereof to Purchaser or Purchaser's designated shipper. This order is expressly made conditioned on assent to the terms hereof as the exclusive terms of agreement between the parties, and Seller shall be deemed to so assent by any of the actions described in the preceding sentence. The terms and conditions contained in this purchase order shall not be changed, added to or otherwise altered, whether by Seller's form of acknowledgment or otherwise, and each shipment of goods or performance of services by the Seller shall be deemed to be furnished upon these terms and conditions, unless any such change, addition or alteration is set forth in a written instrument signed by an authorized representative of the Purchaser. Each shipment received by Purchaser from Seller shall be deemed to be only upon the terms and conditions contained in this purchase order including these terms and conditions except as they may be so added to, modified, superseded or otherwise altered, notwithstanding any terms and conditions that may be contained in any acknowledgment, invoice or other form of Seller and notwithstanding Purchaser's act of accepting or paying for any shipment or similar act of Purchaser. All specifications, drawings and other data, if any, submitted to the Seller in connection with this order are incorporated herein and form a part of this purchase order. In case of any discrepancies or questions, Seller shall refer to Purchaser for decision, instructions or interpretation.

2. Delivery. Goods furnished pursuant to this purchase order shall be delivered F.O.B. the destination specified herein or, if none is specified, the Purchaser's office, and risk of loss shall be on the Seller until acceptance of the goods by the Purchaser. All goods are subject to inspection and acceptance within a reasonable time after delivery, notwithstanding any payment on account thereof. Any goods not conforming to this purchase order will be returned at the Seller's expense.

3. Time and Schedule. Upon receipt and acceptance of this order, Seller shall provide Purchaser with a schedule for progress and completion conforming with any requirements specified or referred to on the face of this order. Seller shall keep Purchaser apprised of progress of performance and shall promptly notify Purchaser of any actual or anticipated delay in performance. Time is of the essence on this contract, and if delivery of goods or rendering of services is not completed within any time specified or promised, Purchaser reserves the right without liability, and in addition to whatever other rights or remedies it may have, to cancel this agreement upon notice to the Seller, substitute goods or services elsewhere and charge the Seller with any loss incurred.

4. Price. The goods or services ordered hereby shall be furnished at the price specified. If no price is specified, Seller agrees, by acceptance of this order, to furnish such goods or services at the lower of the price previously charged the Purchaser for similar goods or services, or the lowest prevailing market price, which ever is lower. Seller warrants that during the period of this purchase order it will not sell nor offer to sell to others the goods or services set forth on the face of the purchase order at prices or terms more favorable to Seller's other customers than those stated herein without making comparable adjustments in prices and terms to Purchaser.

5. Confidentiality; Ownership of Drawings and Specifications. Seller agrees that it shall maintain in confidence and secrecy all information and data, whether patentable or not, regarding Purchaser, its plans, programs, facilities, processes, products, costs, equipment or customers, including all proprietary and competitively sensitive data and information which comes within the knowledge of Seller in the performance of work for Purchaser or in connection with Seller's dealings with Purchaser, its property or facilities. Any design, manufacturing drawing or other information or materials provided by Purchaser to Seller shall remain the sole property of Purchaser. Seller shall have no right in, or license under, any present or future idea, invention, patent, trade secret, proprietary information or data, copyright, mask work, tradename or trademark hereunder or pursuant hereto nor may any such right or license be implied by the disclosure or receipt of any information or data hereunder.

6. Warranties. Seller warrants that all goods provided by it to Purchaser: (i) shall be of good quality, design, materials and workmanship and free from defects; (ii) shall conform to all applicable specifications, drawings, or descriptions; (iii) shall be merchantable and suitable for their intended purposes; and (iv) shall be free of any claim of any third party and any lien. These warranties apply whether or not Seller is a merchant with respect to such goods. Purchaser's inspection, acceptance or retention of or its payment for goods shall not constitute a waiver of any of Seller's warranties. Seller's warranties shall survive the termination of the purchase order and Seller's delivery of goods or services pursuant to the purchase order. Purchaser's approval of any sample or acceptance of any goods shall not relieve Seller from its responsibility to deliver goods in conformity with all terms of the applicable purchase order. Any applicable manufacturer's warranty and any warranty of Seller shall be passed through to Purchaser and any end user.

7. Changes. Purchaser reserves the right, by written notice to the Seller, after the issuance of this purchase order but prior to shipment of goods or performance of service, to make changes in this purchase order, in the specifications, drawings or data furnished with respect to this purchase order, or changes in the place or time of delivery. If any such changes cause an increase or decrease in the cost of or time required for performance, an equitable adjustment shall be made in the price or the delivery schedule or both. If Seller claims any change increases the price, such claim shall be made within fifteen days of receipt of the notice of change or Seller shall be deemed to have waived any such claim. Price increases or extensions of time for delivery shall not be binding on the Purchaser unless evidenced by a written instrument signed by an authorized representative of the Purchaser.

8. Compliance with Laws. Seller represents that in the manufacture and furnishing of goods, or the rendition of services, pursuant to this purchase order, it has and will comply with all Federal, State and local laws, rules, standards and regulations applicable thereto (including without limitation the Fair Labor Standards Act), and that any goods furnished (including any labeling thereof) comply with and can be used in compliance with all such laws, rules, standards and regulations.

9. Indemnity. Seller agrees to indemnify, defend and hold harmless Purchaser, its officers, agents, employees and its vendees ("Indemnitees"), from and against any and all demands, claims, suits, damages, loss, liability, cost or expense of any character ("Damages") for or on account of any injury, death or damages sustained by any person, and for damage to property, arising under any legal theory with respect to any goods or services provided hereunder, except only where such injury, death or damage is caused by or results from the sole negligence of Purchaser. Seller agrees to obtain and keep in effect comprehensive general liability insurance with broad form coverage including product liability, property damage, completed operations, contractual coverages and blanket contractual coverage including the liabilities of Seller assumes hereunder with a combined single limit (bodily injury and property damage) of not less than \$5,000,000, naming Purchaser as an additional insured. Seller shall provide Purchaser with insurance certificates evidencing such insurance, which certificates shall provide that such coverages may not be changed without 30 days prior written notice to Purchaser. In addition, Seller agrees to indemnify and hold harmless the Indemnitees from and against all Damages, or claims therefor, arising out of or in connection with any product recall, repair or modification program or other compliance program or efforts, pursuant to any applicable statute or regulation or any governmental authority, whether the same be voluntary on the part of Purchaser or mutually agreed upon by the Purchaser and Seller, or required by such governmental authority to the extent such recall, repair or modification program or other compliance program or efforts are caused by defects in the goods supplied hereunder.

10. Patents. Seller agrees to defend at its own cost and expense any suit or proceeding for the actual or alleged infringement of United States or foreign patents or other intellectual property on account of the use or sale of the goods specified in this purchase order, and agrees to pay all judgments or decrees which may be rendered in any such suit or proceeding, and otherwise agrees to indemnify and hold harmless the Indemnitees from any and all Damages on account of any such actual or alleged infringement.

11. Performance of Labor. If this purchase order includes the performance of any labor for the Purchaser or any work at the premises of Purchaser, the Seller agrees, in addition to the other requirements hereof (a) that such labor will be performed in a good and workmanlike manner in exact accordance with this purchase order or any drawings, specifications or other data forming a part hereof; (b) to procure, at its own expense and keep in full force and effect worker's compensation insurance as required by any state in which the work is to be performed; (c) to procure and maintain automobile liability and ongoing and completed operations insurance coverage; and (d) if this order includes installation, Purchaser may withhold 10% of the price, or any greater amount specified in this purchaser order, until inspection after installation, but any such withholding of a portion of the price shall in no way limit Seller's liability for improper performance of this purchase order.

12. Assignment. Seller shall not assign, subcontract, delegate or transfer in any way, the purchase order, in whole or in part, without the prior written consent of Purchaser and any such assignment, subcontract, delegation or transfer without Purchaser's prior written consent shall be void. Seller shall not be relieved of any of its obligations under the purchase order notwithstanding any such written consent by Purchaser.

13. Governing Law. This contract shall be governed by and construed in accordance with the internal laws of the State of New York, exclusive of such State's law with respect to conflicts of law. The Convention on Contracts for the International Sale of goods shall not be applicable.

14. Remedies. The rights of Purchaser hereunder shall be in addition to its rights and remedies at law or in equity. Failure of Purchaser to enforce any of its rights shall not constitute a waiver of such rights or of any other rights. In no event shall Seller be entitled to anticipatory profits or to special (including multiple or punitive), incidental or consequential damages. Purchaser, at its sole option, may elect to have any disputes with Seller relating to the purchase order, these Terms and Conditions or the goods or services submitted to binding arbitration pursuant to the rules of the American Arbitration Association. Any federal or state court sitting in Erie County, New York shall have personal jurisdiction over Seller in connection with any litigation relating hereto and Seller consents to venue in such court.