

ARPAC

PROPOSAL

M7264-2

11/26/2013

XLR8 CONTINUOUS MOTION SERVO DRIVEN SIDE SEAL WRAPPER

PREPARED FOR:

APPLICATION: Shrinkwrap trays of product

SUBMITTED BY: Paul Kincaid
AD Regional Sales Manager



PRODUCT SIZES AND CONFIGURATIONS

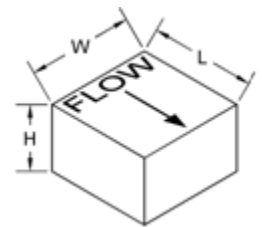
PRODUCT DESCRIPTION: Trays of product

RECOMMENDED FILM: 60-75 gage Polyolefin, or PVC, Maximum film width 37" Single wound with 14" Maximum Diameter Film Roll

SHRINK FILM CLOSURE: Complete Enclosure by Guillotine Style Hot Knife Seal Bar and side seal

PRODUCT SIZES

PRODUCT DESCRIPTION	WIDTH INCH	LENGTH INCH	HEIGHT INCH	SPEED /MIN	WEIGHT LBS.
Tray	12	8	4	60	4



PACKAGE SIZES

PACKAGE DESCRIPTION	WIDTH INCH	LENGTH INCH			HEIGHT INCH			CONFIGURATION W x L x H	SPEED /MIN	WEIGHT LBS.
		H								
Tray	12	8			4			1 x 1 x 1	60	4

THIS QUOTE IS BASED ON OBTAINING PRODUCT SAMPLES FOR ENGINEERING. ARPAC RESERVES THE RIGHT TO ADJUST PRICING, PRODUCT RATES, OR DELIVERY BASED UPON EVALUATION OF PRODUCTION SAMPLES.

THIS QUOTE IS BASED ON OBTAINING PRODUCT SAMPLES AND FILM FOR ENGINEERING REVIEW AND TESTING. ARPAC RESERVES THE RIGHT TO ADJUST PRICING, PRODUCT RATES, OR DELIVERY BASED UPON EVALUATION OF PRODUCTION SAMPLES.

ARPAC VIDEO LINKS OF PROPOSED EQUIPMENT

ARPAC Overview - <http://tinyurl.com/ARPAC-Overview>

XLR8 - <http://www.screencast.com/t/TUgtULtjb3S9>

SYSTEM DESCRIPTION

Unique and patented film forming head provides simple reliable transfer of products and fast easy threading of film on the ARPAC model XLR8 side seal horizontal wrapper. The film forming head avoids the need for a special angled transition conveyor or cantilevered conveyor inside the forming head, making maximum use of film width.

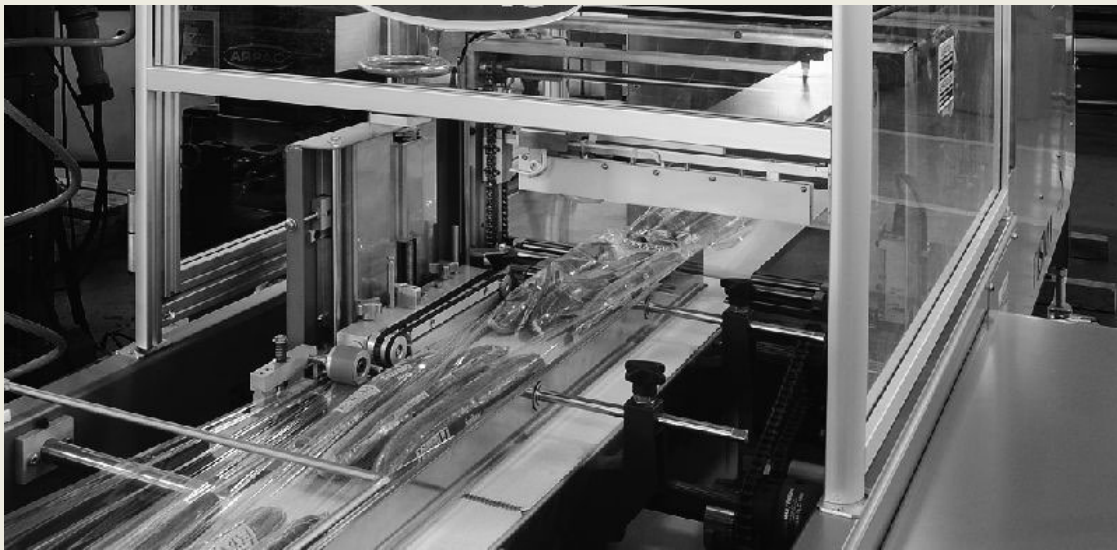
Fast threading of film is possible because all parts of the forming head are visible and accessible to the operator. This visibility and accessibility also aids in making adjustment to the forming head. The simple straight-through film path aids proper film tracking with new or unusual products.

Film is loaded from the operator side of the machine and at a low height in a pull out film rack. This eliminates walking around the machine to load film, and lifting the film rolls more than about a foot off the floor. The use of flat wound film means twice the number of packages can be wrapped for a given diameter of film roll, thus minimizing down time for film roll changes.

The system operation begins when product is manually loaded by the customer onto the infeed belt conveyor and delivered to the inverting head. Product is moved into the folded film and conveyed forward toward the side seal unit.

The open edge of the film is sealed, creating a tube. When the trailing edge of the product is passed through the seal frame, the seal carriage is moved forward at the same speed as the product. Simultaneously, the seal bars are closed, and film is cut and sealed into a bag. The seal bars are opened and the seal carriage is returned to its home position.

The product, now sealed in a film bag, is continued forward and transferred onto another conveyor or into a shrink tunnel to complete the packaging cycle.



SYSTEM FEATURES

- “No Product Detected” photo eye on infeed
- Level wind film scrap take-up system
- Central lubrication system with Nylon tubing
- Electrically interlocked polycarbonate guards surrounding cross seal and trim seal unit
- Vertical/horizontal cross seal capability
- Guillotine style hot knife seal bar design
- Seal frame located in a reciprocating seal carriage
- Vertically adjustable trim seal unit with crank handle
- Laterally adjustable trim seal primary conveyer
- Easy load film cradle with on-demand power film feed mounted on a slide out
- Rotary needle wheel film perforation assembly
- Adjustable film inverting head
- Circuit breaker protection (no fuses)
- Solid state seal bar heater relay
- ARPAC standard powder coat finish
- Heavy-duty formed and structural steel frame

CONTROLS

- Digital controls for quick setup adjustments (including speed, timing, temperature)
- Allen-Bradley power, control, and safety components used throughout
- Allen-Bradley CompactLogix Programmable Automation Controller
- Allen-Bradley PanelView Plus 600 operator interface
- Allen-Bradley Kinetix servo drives and MPL Series servo motors
- Allen-Bradley PowerFlex drives for AC frequency variable speed motors
- Allen-Bradley digital temperature controlled heat tunnel
- NEMA 12 electrical cabinet with lockable disconnect through the door main circuit breaker



ARPAC is proud to be a certified Machine Builder in the Rockwell Automation Partner Network. ARPAC and Rockwell Automation/Allen-Bradley have partnered together for many years to advance control technology for the packaging industry. Having achieved the highest level possible as an OEM (Original Equipment Manufacturer), the Machine Builder program provides recognition of our partnership and dedication to innovation.

UTILITY

- Power: 220V, 3PH, 60Hz, 26A , 8.5 kW

SHRINK TUNNEL OPTIONS

VT122272 VISION SHRINK TUNNEL

- Welded, Tubular Steel Construction
- Dual Zone
- 22" Teflon Coated Fiberglass Mesh Belt
- Calrod Style Heating Elements
- Variable Upper and Lower Air Velocity Controls
- Automatic Cool-Down Cycle
- Viewing Window into Illuminated Shrink Chamber
- Thermally Insulated Chamber
- Left Side Operator Controls
- AB Temperature Controller
- Conveyor Speed 0 To 90 FPM
- Mobile Lightweight Frame With Adjustable Casters
- 230 Volt, 3Ø, 60 Hz, 67 Amp, 27 kW Heaters
- 3 Top Fans, 3 Bottom Fans
- Tunnel Chamber: 24-¾" Wide X 12" High X 72" Long
- Overall Tunnel Size: 31" Wide x 96" Long x 58" High
- Approximate Weight: 1000#

ARPAC is proud to supply APEX award-winning manuals and machine documentation. ARPAC will provide one documentation tablet containing equipment manual written in English covering machine functions, safety & operating procedures including illustrated examples, operations, maintenance, changeover, troubleshooting, Electrical schematics, Bill of Materials (BOMs), spare parts lists, spares e-commerce link, stop watch, conversion calculator, Factory Acceptance Testing reports, and an ARPAC GMAIL account to receive our latest promotions.



We will notify the customer when the equipment will be ready for final checkout at ARPAC's factory. During the checkout ARPAC's Final Assurance technicians will set up and run each quoted product at the speed specified in this proposal provided material and samples are received within the above requested time. Due to the amount of product needed and the manual loading requirements to perform extended runs, ARPAC test runs are typically limited to one minute durations. Therefore any extended test runs over one minute, not specified in written agreement, will be charged on a time and materials basis.

Based on current production schedule, delivery is estimated at 18-20 weeks from date of receipt of order and deposit. Delivery schedule is determined by date of receipt of buyers purchase order, deposit, engineering samples, all related and any additional information deemed necessary. Delivery date will be affected by late delivery of test product and material as described in this proposal. (see section titled Product Samples).

Actual shipping date will be confirmed within two weeks of date of receipt of all the above information and materials. Ship date shall be communicated by ARPAC confirmation letter.

INVESTMENT SUMMARY

XLR8 Continuous Motion Servo Driven Side Seal Wrapper.....	\$ 139,600
- Heavy Duty Construction	
- 1 Product Size/Configuration	
- Allen Bradley Controls	
- Documentation tablet	
- 12' belt infeed	
VT122272 shrink tunnel	\$ 18,660
TOTAL Above	\$ 158,260
5% discount.....	(\$7,913)
Total.....	\$150,347

- Auxiliary E-Stop Button(s) - per button \$ 410
 - Additional emergency stop can be located along the machine frame where desired
- Film Print Registration..... \$ 13,820
 - Wrappers are equipped with a special infeed control that matches product feed to the print intervals of the film, allowing printing to appear at the desired location
- Recommended spare parts (wrapper) \$ 24,160
 - A customized spare parts list will be available approximately 30 days before the ship date. To ensure high productivity from your new machine, ARPAC strongly recommends the purchase of a "machine specific" spare parts kit, containing Genuine ARPAC Parts. If options or other features are added, the final parts list may change

TOTAL Above.....	\$38,390
7% Discount.....	(\$2,687.30)
TOTAL.....	\$35,702.70
TOTAL INVESTMENT	\$ 186,049.70

This quotation is subject to the ARPAC "TERMS AND CONDITIONS OF SALE"
All prices are F.O.B. Schiller Park, Illinois

EQUIPMENT START-UP

Equipment Start-up Service Program, 5 Day <i>ESTIMATE</i>	\$ 7,000
- See section titled "EQUIPMENT START-UP AND SUPPORT"	
- Actual costs billed Time and Material	
-	

MACHINE OPTIONS

4. Up charge for stainless steel construction for wrapper (wipe down) \$ 65,200
5. UL/CSA Listed Panel \$ 1,210
 - This option provides the certification of a UL/CSA approved electrical panel.
 - Add \$1,050 for tunnel, if included.
6. Additional User/Operator manuals, printed or CD, at time of order \$ 250
 - In addition to two operator manuals already included.
7. Auxiliary E-Stop Button(s) - per button \$ 410
 - Additional emergency stop can be located along the machine frame where desired
8. Film Print Registration..... \$ 13,820
 - Wrappers are equipped with a special infeed control that matches product feed to the print intervals of the film, allowing printing to appear at the desired location
9. Recommended spare parts (wrapper) \$ 24,160
 - A customized spare parts list will be available approximately 30 days before the ship date. To ensure high productivity from your new machine, ARPAC strongly recommends the purchase of a “machine specific” spare parts kit, containing Genuine ARPAC Parts. If options or other features are added, the final parts list may change
10. Additional Factory Acceptance Testing at ARPAC (per day) \$ 1,350
 - Additional days of Factory Acceptance Testing (FAT) can provide additional experience to help prepare your staff for startup, changeover, and troubleshooting

PAYMENT TERMS AND SCHEDULE

1st Payment	50% of Total Price	Due at time of Order	50% of Total
2nd Payment	40% of Total Price	Due after successful machine checkout and before shipment	90% of Total
3rd Payment	Balance	Due Net 30 days from delivery	100% of Total

This quotation is based upon information available as of the proposal date and is valid for 30 days. ARPAC reserves the right to adjust proposal based upon new information or specifications received after the proposal date.

Options and customizations are submitted as separate line items in the proposal. Options may relate to programming and documentation. ARPAC has arrived at this price by allocating a fixed amount of engineering time based on our experience.

The responsibility of understanding exactly what is included rests with the purchaser. ARPAC reserves the right to adjust for changes and additions that the purchaser may request.

Unless otherwise specified in written agreement, ARPAC standard construction and design methodology will be used. If requested, this methodology can be made available for review. Any changes can be made on a time and material basis.

ARPAC reserves the right to charge engineering time at market prices for extended discussions related to changing or explaining these standards.

When an order is placed, a properly executed tax exemption certificate is required if purchase is to be used in a tax exempt manner or if purchased for resale. If we do not receive this certificate, ARPAC will be obligated to charge tax at the applicable rate. Please include necessary documentation with order.

PRODUCT SAMPLES

1. FOR ENGINEERING: Original product package(s) and or item(s) or proposed multi-pack(s) to be quoted is required. Packages and or items must be in their post-production state and labeled.
2. FOR TESTING: For proper shop testing of system, ARPAC requires sufficient product and consumables for at least 5 minutes of production. Product containers must be filled and labeled.

IMPORTANT!

UPON RECEIPT OF ORDER, ENGINEERING PRODUCT SAMPLES ARE NEEDED IMMEDIATELY TO INITIATE PROJECT ON TIME. TEST PRODUCT SAMPLES AND FILM/CORRUGATED MUST BE RECEIVED BY ARPAC AT LEAST 5 WEEKS PRIOR TO SCHEDULED SHIP DATE. SAMPLES, CORRUGATED BLANKS AND FILM MUST BE SHIPPED, PREPAID, AND MARKED WITH THE MACHINE SERIAL NUMBER. FAILURE TO COMPLY WITH THE ON-TIME DELIVERY OF SAMPLES AND FILM WILL EFFECT THE DELIVERY DATE OF THE MACHINE.

AFTER MARKET SUPPORT SERVICES

EQUIPMENT START-UP AND SUPPORT

ARPAC is pleased to offer the services of our trained and certified Service Technicians to assist with the start-up and commissioning of your packaging equipment. Our technicians' in-depth knowledge of packaging equipment, coupled with their systematic approach to the commissioning process, provides the quickest and most cost effective route to reaching your production goals.

The ARPAC commissioning process generally includes:

- A thorough machine check-out using the ARPAC commissioning process check-list
- Running the machine with customer supplied product
- Verification of machine start-up procedures and any applicable changeover requirements
- Documentation of all set-points and recipe values
- Informal training on setup, operation, basic maintenance, and routine problem resolution

ARPAC's Technical Service Planner will coordinate the arrival of our Service Technician to coincide with the completion of your mechanical and electrical installation. The machine should be set in place, leveled, field wired, and connected to all utilities prior to the arrival of the ARPAC Service Technician. To maximize commissioning efficiency, and to avoid additional costs, please ensure that all up/down stream equipment is operable and that sufficient test product is available when the ARPAC Service Technician arrives.

To schedule a machine start-up, contact the ARPAC Service Planner via telephone at 847 678 9034 (press 4 for service), by email at service@arpac.com, or by fax at 866 365 4131

CURRENT SERVICE RATES

Additional training, service, or production support can be offered by ARPAC Field Service Technicians on a Time and Materials basis.

ARPAC SERVICE RATE SHEET		
Timeframe for Service	Hourly Rate	Min Charge
Weekday (Monday through Friday)		
Regular Hours (7:00a - 7:00p)	\$ 120.00	4 hrs for service visits under 100 miles. 8 hrs min. for all other service locations.
Travel Time	\$ 65.00	
Overtime (over 8 hrs/day)	\$ 180.00	
Saturday		
Saturday Hours (7:00a - 7:00p)	\$ 190.00	8 hrs minimum for a Saturday service call at any location.
Travel Time (Sat & Sun)	\$ 120.00	
Layover Time (Sat & Sun)	\$ 120.00	
Sunday and Holiday		
Sunday Hours (all day)	\$ 250.00	8 hrs minimum for any location.
Holiday Hours (all day)	\$ 250.00	

EXPENSE CHARGE DETAIL
Charge Detail
Hourly time charge to nearest 15 min.
Tech time not to exceed 12 hrs/day without approval
Other Charge Rates
Personal vehicle charged at the current published IRS rate
Auto rental and/or airfare charged at actual cost
Per Diem (meals) are as follows:
- \$42.00 per day in U.S., \$69.00 per day outside U.S.
Lodging charged at actual cost
Some personal expenses when service visit over 5 days
Other Charge Rates
Training courses available at your location
Preventative maintenance programs are available
Machine audits are available

INITIAL SPARE PARTS KITS

To ensure that you have the right parts on site when you need them most, ARPAC recommends including an initial parts kit within the scope of your project. For your consideration spare parts kits are segmented into three investment levels. When considering the cost of your production line being down, having an initial kit of genuine ARPAC parts on site is very cost effective insurance.

RELIABILITY ASSURANCE

ARPAC offers Reliability Assurance Programs on all new ARPAC equipment purchases. These programs are designed to optimize machine productivity over the life of the asset.

- Achieve Sustainable Productivity Goals
- Increase Overall Equipment Effectiveness (OEE)
- Accelerate Return on Investment (ROI)
- Lower Total Cost of Ownership (TCO)

Reliability Assurance Programs are available in two or three year durations. These programs include:

- Remote troubleshooting support
- Regularly scheduled productivity audits
- Machine evaluations for operating condition and completed maintenance
- Training plan focused on continuous improvement
- Predictive Maintenance training
- Advanced training on troubleshooting techniques from ARPAC factory technicians
- Secure login to customized web portal containing machine manuals, PLC/HMI code, audit records, service reports, available upgrades, and knowledge base articles.
- Extended warranty coverage on all parts (excluding wear items)
 - Leverage ARPAC's inventory of over 10,000 service parts
 - Orders received by 4pm ship the same day

TRAINING PROGRAMS

The ARPAC Group strongly believes that effective Operator and Maintenance training drives improved business results. A well-trained staff provides an invaluable contribution to achieving your OEE productivity goals and attaining profitable levels of production.

ARPAC's PMMI certified trainers deliver comprehensive training at your facility that is customized for your equipment and tailored to your personnel. Training programs are multi-disciplined and tailored to your audience. Separate curriculums are available for Operators, Mechanical Maintenance, Electrical Maintenance, or Control Engineers. In addition, ARPAC can provide training across multiple shifts to help your production run smoothly around the clock.

Training programs are based on a proven four-point system for learning:

- Trainers PRESENT the machine specific information in a class room setting
- Trainers DEMONSTRATE the concepts being presented
- Participants then PRACTICE the relevant job skills with coaching from the Trainer
- Participants PERFORM the relevant job skills as the Trainer assesses their abilities

CUSTOMER SUPPORT HOTLINE

CUSTOMER SUPPORT HOTLINE: 847 678 9034

- Emergency technical support and replacement parts are available 24 hours a day, 365 days a year. The Customer Support Hotline is available to all ARPAC customers.

TERMS AND CONDITIONS OF SALE

1. **ACCEPTANCE.** This Proposal ("Proposal") furnished by ARPAC is not binding upon ARPAC until (i) actual receipt by ARPAC of Buyer's written purchase order ("Purchase Order") adopting the Proposal and all of the terms and conditions stated herein, without qualification, within 30 days after the date hereof, and (ii) ARPAC's written acceptance of such Purchase Order at its main office in Schiller Park, Illinois. A Proposal is valid only for 30 days from date thereof.
2. **AGREEMENT.** The Proposal and Buyer's Purchase Order constitute the final, complete and exclusive expression of the parties' agreement ("Agreement"). Any provisions of Buyer's Purchase Order which are in addition to, inconsistent with or contrary to the Quotation shall be deemed to be of no effect unless ARPAC acknowledges or accepts Buyer's Purchase Order and the additional, inconsistent or contrary provisions or terms are specifically accepted by a written instrument signed by one of ARPAC's officers referring to such modifications specifically. Under no circumstances will ARPAC recognize any provisions or terms of Buyer's Purchase Order which are in addition to, inconsistent with or contrary to the Terms and Conditions; the Terms and Conditions may only be modified by a separate written instrument signed by ARPAC's President or Chief Operating Officer. If terms of payment are set forth in the Quotation (Section A), then those terms shall control over Section 4, below, of these Terms and Conditions.
3. **CANCELLATION.** After acceptance by ARPAC, Purchase Orders shall not be subject to cancellation by Buyer except with ARPAC's express written consent and upon terms that will indemnify ARPAC against all direct, incidental and consequential losses or damage. ARPAC may withhold its consent to a termination or cancellation for any reason.
4. **TERMS OF PAYMENT.** Fifty percent (50%) of the total sales price is due with Buyer's Purchase Order as a non-refundable deposit; ninety percent (90%) of the total sales price is due after machine approval at ARPAC's facility prior to shipment; the balance is due net 30 days after shipment. Unless otherwise specified by ARPAC, all prices are F.O.B. ARPAC's factory or warehouse from which shipment is made.
5. **LATE CHARGES; PURCHASE MONEY SECURITY INTEREST.** Invoices unpaid and past due will be subject to a service charge on the unpaid balance at an interest rate equal to the lesser of 18% per annum or the maximum allowable interest rate under applicable law, and Buyer shall be responsible and liable for all expenses incurred by ARPAC in collection, including reasonable attorney's fees. Until Buyer has paid to ARPAC all amounts due to ARPAC in connection with all equipment and/or products purchased hereunder ("Products"), ARPAC shall retain, and Buyer hereby grants to ARPAC, a purchase money security interest (i) in all such Products now existing or hereafter acquired, (ii) in all proceeds thereof as defined by the Uniform Commercial Code ("UCC") as adopted in the state in which Buyer is incorporated, organized or otherwise resides, (iii) in all accounts receivable arising from the resale of any of ARPAC's Products by Buyer, and (iv) in all materials supplied by Buyer to ARPAC for use in connection with the production of ARPAC's Products for Buyer. ARPAC shall retain all rights and remedies of a secured party under the UCC as in effect at the time of delivery of such Products. This grant of purchase money security interest is made to secure payment of all debts or liabilities and performance of all obligations of Buyer to ARPAC, whether such debts, liabilities or obligations are now existing or hereafter arise and whether direct or contingent. Buyer hereby authorizes ARPAC to file with the appropriate authorities at any time any such financing statement or other document or instrument required in order to perfect ARPAC's purchase money security interest. Buyer agrees to execute all instruments and perform all acts that may be deemed necessary by ARPAC for the creation, perfection and protection of such lien and purchase money security interest. In addition to any other right or remedy of ARPAC at law or in equity, ARPAC shall be entitled to set off and retain all monies paid (including but not limited to, credits, monies, or balances owed to Buyer or any affiliate of Buyer with respect to any transaction between Buyer and ARPAC) and to apply the same to any amounts owed to ARPAC, as ARPAC in its sole discretion shall deem appropriate.
6. **TAXES.** Any tax imposed on the sale of Products shall be added to the amount to be paid by Buyer, provided, however, if ARPAC does not collect any such taxes and is later asked by or required to pay such to any taxing authority, Buyer will make such payment to ARPAC or, if requested by ARPAC, directly to such taxing authority. At ARPAC's option, prices may be adjusted to reflect any increase in the costs to ARPAC resulting from state, federal or local legislation, or any change in the rate, charge or classification of any carrier. A properly executed tax exemption certificate is required if purchases are to be used in an exempt manner or bought for resale. If no certificate is received with your order, ARPAC is obligated to charge tax at the applicable rate. Please fax a copy of the certificate to ARPAC at (847) 678-2484 or mail it to ARPAC, attn: Accounting Dept.
7. **DELIVERY DATES; CONTINGENCIES.** All delivery dates are approximate and ARPAC shall not be responsible for any damage of any kind resulting from any delay. ARPAC shall not be liable for any default or delay in performance if caused directly or indirectly, by acts of God; war; force of arms; fire; flood; the elements; riot; labor disputes; picketing or other labor controversies; sabotage; civil commotion; accidents; any governmental action, prohibition or regulation; delay in transportation facilities; shortage or breakdown of or inability to obtain or non-arrival of any labor, material or equipment used in the manufacture of the Products; failure of any party to perform any contract with ARPAC relative to the production of the Products; or from any cause whatsoever beyond ARPAC's control, whether or not such cause is similar or dissimilar to those enumerated.
8. **CLAIMS; INSPECTION.** Claims for loss or damage to any Products must be submitted with a copy of the inspection report of the delivering carrier. Buyer shall promptly inspect all Products upon delivery. No claims against ARPAC (including claims for shortages) will be allowed unless asserted in writing within 10 days after delivery or, in the case of an alleged breach of warranty, within the warranty period described in Section 8 hereof.

9. **WARRANTY.** ARPAC warrants the Products of its manufacture to be free from defects in material or workmanship for a period of one year from the date of shipment from ARPAC's factory (three years specifically for ARPAC STRETCH wrap machines), when given normal and proper usage, and while owned by the original buyer, provided the Products have been operated in accordance with generally approved practice and in accordance with ARPAC's instructions and, further, that no repairs, alterations, or replacements have been made by others without ARPAC's prior written approval. The use of genuine ARPAC repair components is required to maintain the warranty. ARPAC's liability under such warranty or in connection with any other claim relating to the Products shall be limited to the repair or, at ARPAC's option, the replacement of any Products, parts or components thereof which are returned to ARPAC freight prepaid and which are defective in material or workmanship. The Buyer shall notify ARPAC immediately of any defective parts and ARPAC shall thereupon correct the defect or defects. If such correction requires the replacement of a defective part or parts, ARPAC will supply same F.O.B. its factory. Damage caused during transport is the responsibility of the carrier and is not covered under this warranty. All damages detected upon receipt of equipment should be reported immediately to the carrier and ARPAC should be notified. ARPAC shall in no event be held liable for any direct, indirect, incidental or consequential damage, losses, expenses or delay caused by defective parts and will not accept any charges for work performed by Buyer in making adjustments or repairs to the Products unless such work has been authorized in writing by ARPAC. Except as stated herein, ARPAC makes no other warranty, expressed or implied, nor does it assume or authorize anyone else to assume for it, any other obligation relating to our products or any products. Any Product or component not of ARPAC's own manufacture is not covered by this warranty and is sold to Buyer only with such warranty, if any, as is provided by such manufacturer, to the extent ARPAC and its assigns are able or entitled to enforce such warranty; but such items are not warranted by ARPAC in any way. When components are sold to be assembled in combination of Buyer's design, this warranty is limited to each separate component and not upon any combination as such. EXCEPT AS EXPRESSLY STATED ABOVE, ARPAC MAKES NO WARRANTY, EXPRESS OR IMPLIED, WHETHER OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE OR OTHERWISE, ON THE PRODUCTS, OR ANY PARTS OR LABOR FURNISHED DURING THE SALE, DELIVERY OR SERVICING OF THE PRODUCTS. ARPAC factory trained, qualified technical services personnel are available for start-up and instructional assistance. If the Buyer does not utilize ARPAC personnel for this function, ARPAC is only liable for replacement of defective parts, not for labor or expenses necessary to adjust any problems during the start-up period. ARPAC personnel are available for ARPAC equipment training, either on-site/hands-on or in a classroom environment, supported by visual aids and literature, to be contracted for by a separate purchase order.
10. **RISK OF LOSS.** Regardless of the manner of shipment and regardless of when title to the Products passes, risk of loss or damage to the Products shall pass to Buyer upon tender to the carrier at the factory or warehouse of ARPAC, except in those instances in which delivery is made by ARPAC's vehicles, in which case risk of loss shall pass upon tender to Buyer at its place of business. No deferment of shipment at Buyer's request beyond the dates indicated in the Quotation will be made except on terms that will indemnify ARPAC against all loss and additional expense, including, but not limited to, demurrage, handling, storage and insurance charges.
11. **PROPRIETARY RIGHTS.** Buyer agrees it will not copy, nor permit anyone else to copy, any Products or parts thereof, or any pattern, plan, drawing, specification, instruction or depiction thereof, without written approval of ARPAC, and that it will not knowingly, directly or indirectly, violate or infringe upon or contest the validity of any patent, license or other right of ARPAC pertaining to any of said products. Where any product is manufactured from patterns, plans, drawings or specifications furnished by Buyer, Buyer shall indemnify ARPAC against and save ARPAC harmless from all loss, damage and expense arising out of any suit or claim against ARPAC for infringement of any patent, trademark, copyright or other right because of ARPAC's manufacture of such Product or because of the use or sale of such product by any person. The terms of any ARPAC Software License Agreement submitted to Buyer with the products and are incorporated herein by reference.
12. **LIMITATION OF LIABILITY.** IN NO EVENT SHALL ARPAC BE LIABLE TO BUYER FOR ANY SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS OR LOSS OF GOODWILL) ARISING OUT OF, OR AS A RESULT OF, THE SALE, DELIVERY, NON-DELIVERY, SERVICING, USE OR LOSS OF USE OF THE PRODUCTS OR ANY PART THEREOF, OR FOR ANY CHARGES OR EXPENSES OF ANY NATURE INCURRED WITHOUT ARPAC'S WRITTEN CONSENT, EVEN THOUGH ARPAC HAS BEEN NEGLIGENT, AND BUYER INDEMNIFIES AND HOLDS ARPAC HARMLESS FROM ANY AND ALL SUCH CLAIMS OF DAMAGE BY BUYER OR OTHERS. IN NO EVENT SHALL ARPAC'S LIABILITY UNDER ANY CLAIM MADE BY BUYER UNDER THIS AGREEMENT OR OTHERWISE EXCEED THE PURCHASE PRICE OF THE PRODUCT IN RESPECT TO WHICH DAMAGES ARE CLAIMED.
13. **LIMITATIONS.** Any suit or other action based upon breach of this Agreement or upon any other claim arising out of this sale (other than an action by ARPAC for any amount due to ARPAC by Buyer) must be commenced within one year from the date of tender of delivery by ARPAC, or in the case of a cause of action based upon an alleged breach of warranty, within one year from the date within the Warranty Period in which the defect is or should have been discovered by Buyer.
14. **GOVERNING LAW.** This Agreement and the sale of all Products shall be governed by and construed in accordance with the laws of the State of Illinois. Whenever there is a conflict of laws, the laws of the State of Illinois shall prevail. Any claim arising out of or in any way related to this Agreement shall be instituted and adjudicated in either the Federal District Court for the Northern District of Illinois or in the Circuit Court of Cook County, Illinois. The parties consent to and agree not to contest the personal jurisdiction of and venue in such courts, acknowledge that these forums are convenient and waive their rights to demand a jury trial.

ABOUT THE ARPAC GROUP

For forty years, ARPAC has been dedicated to developing innovative “Packaging Solutions that Mean Business”. ARPAC has developed and acquired one of the broadest lines of packaging machine solutions in the industry.

The sum of our design and manufacturing experience includes the following packaging technologies:

Traditional Shrink Bundlers	Corrugated Tray and Case Loaders	Semi-Auto Stretch Wrappers
Printed Film Shrink Bundlers	Corrugated Tray and Case Erectors	Automatic Stretch Wrappers
Multi-Pack Shrink Bundlers	Corrugated Box Formers	Palletizer Systems
Horizontal Shrink Wrappers	Wrap Around Case Packers	Turnkey Systems Integration

ARPAC equipment has made valuable contributions to the following industries: Food and Beverage, Health and Beauty, Printing and Publishing, Pharmaceutical, Building and Industrial Supplies, Automotive, and a large variety of Consumer Product.

THE ARPAC ADVANTAGE

- ARPAC’s packaging experience is comprised of 40 years of successful design, manufacturing, installation, and support of over 25,000 machines worldwide
- The broadest portfolio in the industry enables ARPAC to ensure that the right equipment is selected for your application and offer a comprehensive end-of-line solution
- One of the fastest order-to-shipment delivery times in the packaging industry
- To further support rapid delivery, ARPAC maintains stock of many standard models
- Our investment in a state-of-the-art, vertically-integrated production facility along with our lean manufacturing principles creates a competitive production advantage and the assurance of “built-in” quality. ARPAC is ISO 9001:2008 Certified.
- ARPAC is a recognized industry leader for custom machinery with a high percentage of ARPAC professionals providing design engineering, applications engineering, manufacturing engineering or service engineering. Customized solutions to suit your needs are a proven strength of ARPAC.
- We are highly experienced in systems integration, with over 40 years of proven experience
- Award-winning documentation manuals are included with every machine or integrated system
- ARPAC’s Aftermarket Support is second to none. Our help desk technicians are available 24/7/365 and we have a team of Field Service Technicians to support your needs. We stock over 10,000 parts for our large installed base and back it up with an emergency parts production process for line down situations.
- ARPAC’s Aftermarket Services include customized training, reliability assurance programs, startup and production support, and machine upgrade or retrofit packages. These services provide you with the tools and resources to reach your production goals and accelerate your return on investment.
- ARPAC University provides classroom and hands-on training in a 10,000 square foot educational center complimented by a demo room containing an ever-changing stock of over \$1.5 million in ARPAC equipment. Classes teach basic equipment knowledge for each product group. The University Schedule is posted on our website, and classes are held several times each month.