

GENERAL TERMS FOR SALES AGREEMENT

Effective Date: January 1, 2019

- 1.0 **Acceptance:** The following terms and conditions (“General Terms for Sales Agreement”) apply to all transactions for product(s) (“Product”) produced or processed by PPG Industries, Inc., and its subsidiaries, divisions or affiliates (collectively or singularly, as applicable, the “Seller”). The terms and conditions set forth in this General Terms for Sales Agreement are the only terms and conditions applicable to Seller’s provision of Products, except those relating solely to quantities, shipping instructions, or description of the Products set forth in Buyer’s Purchase Orders. Purchase Orders, if accepted by Seller, are accepted subject to the terms and conditions set forth in this General Terms for Sales Agreement. SELLER HEREBY REJECTS ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS PROPOSED BY BUYER, WHETHER OR NOT CONTAINED IN ANY OF BUYER’S BUSINESS FORMS OR ON BUYER’S WEBSITE, AND SUCH ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS SHALL BE VOID AND OF NO EFFECT UNLESS IN A WRITTEN AGREEMENT, SIGNED BY AN AUTHORIZED REPRESENTATIVE OF SELLER, WHICH SPECIFICALLY REFERS TO A “MODIFICATION OF” OR “DEVIATION FROM” THE LANGUAGE OF SELLER’S GENERAL TERMS FOR SALES AGREEMENT. The parties agree that it is their intention that the battle of the form section of §2-207 of the Uniform Commercial Code as in effect in the Commonwealth of Pennsylvania, USA shall not apply to these General Terms for Sales Agreement. Buyer’s acceptance of these General Terms for Sales Agreement may be accomplished by any of the following means: 1. signing a quotation containing Seller’s General Terms for Sales Agreement; 2. acceptance of Products; 3. submission of an order after receipt of a quotation; 4. placing orders after receipt of other quotations from Seller that include a reference to Seller’s General Terms for Sales Agreement; or 5. any other communication indicating acceptance of these General Terms for Sales Agreement.
- 2.0 **Default:** Each delivery under this General Terms for Sales Agreement shall be deemed to constitute a separate transaction, without reference to any other shipment. If either party shall be in default with respect to any of the terms and conditions of this General Terms for Sales Agreement with the other party, including, without limitation, Buyer’s failure to pay any invoice in accordance with the terms of this General Terms for Sales Agreement, the other party may, at its option, defer further performance under this General Terms for Sales Agreement until such default be remedied, and, without prejudice to any other legal remedy, may terminate this General Terms for Sales Agreement if such default be not remedied within thirty (30) days following the giving of written notice of the default to the party in default, specifying the thing or matter in default.
- 3.0 **Warranty and Limitation of Remedy:**
- 3.1 **Claims.** All claims relating to quality, quantity, weight, condition, and loss of or damage to the Products contained in any delivery under this General Terms for Sales Agreement shall be deemed waived by Buyer unless made in writing to Seller within 30 days after (1) tender of delivery to, and refusal to accept delivery by Buyer or (2) acceptance of delivery by Buyer, or (3) the date specified for delivery, whichever shall occur or apply. Buyer assumes all responsibility and risk and liability arising from (1) the transportation, unloading, discharge, storage, handling, and use of the Products, including use of the Products alone or in combination with other substances; (2) the improper functioning or failure of unloading, discharge, transportation, or storage systems equipment used by Buyer, whether furnished or recommended by Seller or not; and (3) the failure to comply with federal, state, and municipal laws, rules, and regulations governing unloading, discharge, storage, handling, and use of the Products.
- 3.2 **Warranty.** Except as stated in “Patents,” Seller warrants only its title to the Products and that the quality of the Products shall conform to the Specifications. THESE ARE THE ONLY REPRESENTATIONS OR WARRANTIES SELLER MAKES AND SELLER DISCLAIMS ALL

OTHER EXPRESS OR IMPLIED WARRANTIES, UNDER STATUTE OR ARISING OTHERWISE IN LAW FROM A COURSE OF DEALING OR USAGE OF TRADE, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE OR WARRANTY OF MERCHANTABILITY. IF ANY PRODUCT FAILS TO CONFORM TO THE WARRANTIES GIVEN IN THIS GENERAL TERMS FOR SALES AGREEMENT, SELLER'S EXCLUSIVE OBLIGATION AND BUYER'S EXCLUSIVE REMEDY SHALL BE LIMITED TO, AT SELLER'S OPTION, REPLACEMENT OF THE NONCONFORMING PRODUCT AT SELLER'S EXPENSE, OR A REFUND OF THE PURCHASE PRICE ATTRIBUTABLE TO A SPECIFIC DELIVERY AS TO WHICH A CLAIM IS MADE AND TRANSPORTATION CHARGES THEREON. NOTWITHSTANDING ANYTHING CONTAINED ELSEWHERE IN THIS GENERAL TERMS FOR SALES AGREEMENT OR IN ANY OTHER DOCUMENT ISSUED IN CONNECTION WITH THIS GENERAL TERMS FOR SALES AGREEMENT, IN NO EVENT SHALL SELLER OR ANY OF ITS REPRESENTATIVES BE LIABLE TO BUYER OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES OR LOSS OF PROFITS, BUSINESS OR GOODWILL ARISING OUT OF OR RELATING TO THIS GENERAL TERMS FOR SALES AGREEMENT OR THE PRODUCTS, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE, WHETHER SELLER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, OR THE LEGAL OR EQUITABLE THEORY (CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE OF ANY KIND, STRICT LIABILITY, TORT, OR ANY OTHER THEORY) UPON WHICH THE CLAIM IS BASED.

- 3.3 **Specifications.** The Specifications for the Products are Seller's Product Data Sheets on the date of shipment. If either Buyer or Seller requires laboratory tests, trial runs, pilot applications, coatings industry standard testing procedures, or any other form of product performance testing (collectively referred to in this General Terms for Sales Agreement as "Testing"), such Testing shall be included within the Specifications. Buyer shall cooperate with Seller in testing for compatibility, adhesion, etc. in any application process of Buyer that requires the Products to be applied in conjunction with the coatings, or in any system or process that uses the coatings, of any third party. Failure on the part of Buyer to allow Seller to complete such Testing shall result in the nullification of the obligation of Seller to meet the Specifications.
- 3.4 **Further Limitations:** Recommendation of Seller for use of the Products is based upon tests believed to be reliable, but Seller makes no warranty of the results to be obtained. Buyer assumes all responsibility and risk and liability arising from (1) the transportation, unloading, discharge, storage, handling, and use of the Products, including use of the Products alone or in combination with other substances; (2) the improper functioning or failure of unloading, discharge, transportation, or storage systems equipment used by Buyer, whether furnished or recommended by Seller or not; and (3) the failure to comply with federal, state, and municipal laws, rules, and regulations governing unloading, discharge, storage, handling, and use of the Products.
- 3.5 **MAXIMUM LIABILITY.** NOTWITHSTANDING ANYTHING CONTAINED ELSEWHERE IN THIS GENERAL TERMS FOR SALES AGREEMENT OR IN ANY OTHER DOCUMENT ISSUED IN CONNECTION WITH THIS GENERAL TERMS FOR SALES AGREEMENT, IN NO EVENT SHALL SELLER OR ANY OF ITS REPRESENTATIVES BE LIABLE TO BUYER OR ANY THIRD PARTY WITH RESPECT TO PRODUCTS SOLD OR PERFORMANCE UNDER THIS GENERAL TERMS FOR SALES AGREEMENT FOR AN AMOUNT IN EXCESS OF \$250,000, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE OF ANY KIND, STRICT LIABILITY, TORT, OR ANY OTHER THEORY) UPON WHICH THE CLAIM IS BASED.

- 4.0 **Payment Terms.** Terms of payment shall be net 30 days after the invoice date. Buyer shall make all payments by electronic funds transfer utilizing such system as Seller may require. Payment terms shall be subject to continued creditworthiness/financial condition evaluation. If credit terms are not satisfied or credit/financial conditions of Buyer become materially impaired, in Seller's reasonable opinion, Seller may change the terms by notice to Buyer.
- 5.0 **Late Payment Adjustment.** If Buyer fails to make any payment due under this General Terms for Sales Agreement within the payment terms set forth in Section 4.0, Seller may, in its sole and absolute discretion, adjust the prices of the Products, such price adjustment not to exceed 2 percent of the respective prices of the Products. Seller shall promptly notify Buyer, in writing, of any such price increase. The price increase shall take effect on the first day of the calendar month following such notice.
- 6.0 **Price Changes:** Prices stated in this General Terms for Sales Agreement may be changed by Seller at any time by giving Buyer notice in writing of such change at least fifteen (15) days before the effective date of the change. Prices to govern are those in effect on the date of shipment. If any current price or any proposed change in price shall be prohibited, limited or reduced by any law, decree, order or regulation enacted or promulgated after the date hereof, Seller may terminate this contract upon 30 days written notice to Buyer.
- 7.0 **Force Majeure.** Seller's failure or inability to make, or Buyer's failure to take, any delivery or deliveries when due, or the failure or inability of either party to effect timely performance of any other obligation required of it under this General Terms for Sales Agreement, other than the payment of money, if caused by "Force Majeure", as defined in this General Terms for Sales Agreement, shall not constitute a default under this General Terms for Sales Agreement or subject the party affected by the Force Majeure to any liability to the other; provided, however, the party so affected shall promptly notify the other of the existence of the Force Majeure and of its expected duration and the estimated effect of the Force Majeure upon its ability to perform its obligations under this General Terms for Sales Agreement. Such party shall promptly notify the other party when such Force Majeure circumstance has ceased to affect its ability to perform its obligations under this General Terms for Sales Agreement. The quantity of Products that Seller is to deliver or that Buyer is to purchase under this General Terms for Sales Agreement shall be reduced to the extent of the deliveries omitted for such cause or causes unless both parties agree that the total quantity of Products that Seller is to deliver or that Buyer is to purchase shall remain unchanged. For so long as Seller's ability to perform under this General Terms for Sales Agreement is affected by such Force Majeure circumstances: (i) Seller may, at its option, elect to allocate its total production of such Products among its various requirements for the Products (e.g. manufacturing and sales) in such manner as Seller deems practicable and which, in the opinion of Seller, is fair and reasonable and (ii) Buyer may obtain the quantities that Seller is unable to deliver from another source without obligation to Seller with respect to this General Terms for Sales Agreement. During the time that Seller is unable to make deliveries or otherwise perform, it shall not be obligated to procure, or to use its best efforts to procure, any quantity of Products sold under this General Terms for Sales Agreement from any alternative producer or supplier. As used in this General Terms for Sales Agreement, the term "Force Majeure" shall mean and include any act of God, nature, or the public enemy, accident, explosion, flood, drought, perils of the sea, strikes, lockouts, labor disputes, riots, sabotage, embargo, war (whether or not declared or whether or not the United States is a participant), federal, state, or municipal legal restriction or limitation or compliance therewith, failure or delay of transportation of, shortage of, or inability to obtain, raw materials, supplies, equipment, fuel, power, labor, or other operational necessity, interruption or curtailment of a power supply, or any other circumstances of a similar or different nature beyond the reasonable control of the party affected thereby. In this connection, a party shall not be required to resolve labor disputes or disputes with suppliers of raw materials, supplies, equipment, fuel, or power, or seek alternative sources thereof except in accordance with such party's business judgment as to its best interest. If a Force Majeure circumstance affects either party's performance under this General Terms for Sales Agreement for at least 90 consecutive days, the party who

is able to perform may terminate this General Terms for Sales Agreement upon written notice to the affected party.

- 8.0 **Patents.** Seller warrants that the Products shall be delivered free of all rightful claims of any third person for infringement of any U.S. patent covering the Products. Seller does not warrant against nor grant immunity from infringement by, and assumes no responsibility by reason of, the use of the Products in combination with other materials or apparatus or in the operation of any process or apparatus. Seller disclaims any warranty against infringement to the extent that the Products are supplied according to Buyer's design or specifications. In the event of the commencement of any suit or proceeding against Buyer for infringement covered by the above warranty, Buyer shall notify Seller promptly, in writing, of the commencement of such suit or proceeding. Seller, at its option, may defend such suit or proceeding in Buyer's name, and Buyer shall render to Seller all reasonable assistance for the defense or settlement thereof. Buyer shall not settle or compromise any such suit or proceeding without the prior written consent of Seller.
- 9.0 **Deliveries.** Unless otherwise mutually agreed to in writing by the parties, the Products shall be delivered F.O.B. Seller's production facility, freight collect. Seller reserves the right to ship +/- 10 percent of the amount ordered for make-to-order Products. Any order is shipped with the understanding that materials are not returnable without the written consent of Seller, in which case a twenty-five percent restocking fee will be applied.
- 10.0 **Taxes.** Any tax, or other governmental charge, or increase thereof, upon the production, sale, and/or shipment of the Products sold under this General Terms for Sales Agreement (other than taxes based on Seller's net income) or entering into the costs of the Products, whether by federal, state, or municipal authorities, imposed, or becoming effective, on or after the date of this General Terms for Sales Agreement, shall be added to the price then in effect under this General Terms for Sales Agreement and shall be paid to Seller by Buyer.
- 11.0 **Reformation.** If any provision of this General Terms for Sales Agreement is determined to be illegal or unenforceable for any reason, that provision shall be reformed to the maximum extent permitted to preserve the parties' original intent, failing which it shall be severed from this General Terms for Sales Agreement with the balance of the General Terms for Sales Agreement continuing in full force and effect.
- 12.0 **Waiver.** The failure of either party to enforce at any time any of the provisions of this General Terms for Sales Agreement shall in no way constitute or be construed as a waiver of that or any other provision of this General Terms for Sales Agreement, nor in any way affect the validity of this General Terms for Sales Agreement or any provision of this General Terms for Sales Agreement or the right of such party to enforce thereafter each and every provision of this General Terms for Sales Agreement. No waiver of any provision or breach of this Agreement shall be deemed to be a waiver of any other provision or breach.
- 13.0 **Governing Law.** The local laws of the Commonwealth of Pennsylvania shall govern this General Terms for Sales Agreement and the relations of the parties under this General Terms for Sales Agreement (without giving effect to the conflict of law principles thereof). The United Nations Convention on Contracts for the International Sale of Goods shall NOT apply to this General Terms for Sales Agreement or the transactions that are the subject of this General Terms for Sales Agreement.
- 14.0 **Assignment.** This General Terms for Sales Agreement and the rights hereunder are not assignable by either party, in whole or in part, without the prior written consent of the other (which consent the other party shall not unreasonably withhold) and any attempted assignment without such consent, including by operation of law or otherwise, shall be void. Subject to the foregoing, this General Terms for Sales Agreement shall bind and inure to the benefit of the successors and assigns of the respective parties to this General Terms for Sales Agreement.

- 15.0 **Export Controls.** The parties acknowledge that they as well as the products and technology sold or otherwise transferred under this General Terms for Sales Agreement may be subject to U.S. and other export controls (including deemed export and reexport) requirements, embargoes, sanctions and similar laws, regulations and requirements applicable to exports (“Export Requirements”). The parties agree that Seller’s sale or supply of products or technology as well as their use, transfer or resale by Buyer is subject to these Export Requirements. Buyer agrees to provide Seller with all information and documentation deemed necessary by Seller for Seller to comply with all such Export Requirements. Further, Buyer agrees to comply with the Export Requirements, to create and to maintain records to reflect compliance with the Export Requirements, to allow any post-export verification requested by Seller or the U.S. Government and to cooperate in any investigation related to Export Requirements.
- 16.0 **Entire Agreement.** This General Terms for Sales Agreement contains the entire agreement of the parties with regard to the subject matter of this General Terms for Sales Agreement and supersedes any prior agreements, communications, commitments, representations, or warranty relating to the subject matter of this General Terms for Sales Agreement. No modification of this General Terms for Sales Agreement shall be of any force or effect unless it shall have been reduced to a writing that specifically references this General Terms for Sales Agreement and that each party claimed to be bound thereby shall have signed. No modification shall be effected by any purchase order forms, acknowledgment forms, or shipping documents, or any other documents containing terms or conditions at variance with or in addition to those set forth in this General Terms for Sales Agreement.
- 17.0 **Seller’s Right to Setoff.** Notwithstanding any notice or other provision to the contrary contained in this General Terms for Sales Agreement, in the event of Buyer’s failure to timely pay any invoice to Seller in accordance with the payment terms contained herein, Seller, without notice or demand, may, but shall not be required to, immediately set off (i) any and all accrued but unpaid obligations owing from Seller to Buyer against (ii) any obligation owing from Buyer to Seller, which obligation of Buyer is due but unpaid or unperformed. Any such setoff will be deemed to have occurred upon the date Seller effects such setoff upon its books and records and not on the date notice, if any, of such setoff may be provided by Seller to Buyer. If Buyer subsequently pays all or a portion of any balances reduced by such setoff, Seller agrees that it promptly will issue an appropriate credit memo to Buyer for any overpayment which results. In the event that Buyer files or has filed against it a petition for relief under title 11 of the United States Code (the “Bankruptcy Code”), Seller, in its sole and exclusive discretion, shall have the right to institute an administrative freeze on the payment of any sums due and owing from Seller to Buyer under any agreement between the parties, including, without limitation, customer rebates, refunds or any monies under customer programs or incentives coming due and owing by Seller to Buyer under the terms of this General Terms for Sales Agreement or any other agreement and Buyer hereby consents to relief from the automatic stay being granted to Seller under Bankruptcy Code Section 362(d), on the filing of any appropriate motion, to effect setoff of any sums due and owing from Seller to Buyer against any sums due and owing from Buyer to Seller.