

**EVANS ADHESIVE CORPORATION, LTD. (“Seller”)  
TERMS AND CONDITIONS OF SALE**

All transactions between Seller and the buyer (“Buyer”) of goods and/or services (collectively, “Goods”) sold by Seller will be governed by the following Terms and Conditions of Sale which constitute the complete, exclusive and final agreement with respect to the subject matter stated herein (“Agreement”), and which may not be added to, modified, superseded or altered except by written agreement or modification signed by an officer of Seller, notwithstanding any terms and conditions which may now or in the future appear on Buyer’s purchase order or other documents (all of which are objected to and rejected by Seller without further notification), and notwithstanding any shipments, tenders of delivery, acceptance of payments, or other similar acts of Seller. If Buyer accepts any performance by Seller, Buyer will be deemed to have accepted the terms and conditions of this Agreement.

**1. DELIVERY:** Unless otherwise agreed in advance in writing by Seller, delivery of the Goods shall be F.O.B. point of shipment. Any specified delivery date is approximate only. Seller’s delivery of the Goods for shipment to a common carrier, designated shipper or licensed public truck person, Seller’s delivery of the Goods to Buyer at any premises other than Seller’s, Seller’s delivery of the Goods to Buyer’s representative or agent, or Seller’s mailing of an invoice to Buyer, whichever of the foregoing first occurs, shall constitute tender of delivery of the Goods to Buyer. Upon tender of delivery, title to the Goods shall pass to Buyer, subject to Seller’s right of stoppage in transit and to any interest of Seller reserved to secure Buyer’s payment or performance. In the instance of Goods held subject to Buyer’s instructions, Goods for which Buyer has failed to supply shipping instructions, or in any case where Seller, in its sole discretion, determines that any part of the Goods should be held for Buyer’s account, Seller may invoice the Goods and Buyer agrees to make payment at the maturity of the invoice so rendered. Goods invoiced and held at any location, for whatever reason, shall be at Buyer’s risk and Seller may charge for (but is not obligated to carry) insurance and storage at prevailing rates. Partial deliveries shall be accepted and paid for by Buyer in accordance with the terms and conditions of this Agreement. When Buyer has declared or manifested an intention not to accept delivery in accordance with this Agreement, no tender shall be necessary but Seller may, at its option, give notice in writing to Buyer that Seller is ready and willing to deliver and such notice shall constitute a valid tender of delivery.

**2. CASUALTY AND AVAILABILITY OF RAW MATERIALS:** Delivery of all or any part of the Goods to Buyer is contingent upon Seller’s ability to obtain supplies, raw materials and services through its regular and usual sources. If by reason of any contingency beyond Seller’s control, including (but not limited to) war, governmental requests, restrictions or regulations, fire, flood, casualty, accident, or other acts of God, strikes or other difficulties with employees, delay or inability to obtain labor, equipment, material and/or services through Seller’s usual sources, failure or refusal of any carrier to transport materials, delay in transport thereof, or any other similar occurrence, Seller is not able to satisfy any of its obligations under this Agreement, Seller shall not be liable therefor and may, in its sole discretion, without prior notice to Buyer, postpone the delivery date(s) under this Agreement for a time which is reasonable under the circumstances. If during the occurrence of any of the foregoing contingencies, Seller holds any of the Goods, Seller may invoice and hold the same for the account of Buyer and Buyer agrees to make payment at the maturity of the invoice so rendered.

**3. INSPECTIONS, ACCEPTANCE AND RETURNS:** Each delivery of Goods will be inspected promptly by Buyer for damages and defects. Buyer will notify Seller of all claimed damages and defects within ten (10) days of Buyer’s receipt of the Goods. Failure to so inspect the Goods shall constitute a waiver of Buyer’s rights of inspection and shall constitute an unqualified acceptance of the Goods. If Buyer inspects the Goods and promptly notifies Seller of its claim that the Goods are damaged or defective, Seller will review Buyer’s claim, and if valid, Buyer and Seller will mutually agree on the method and timing of curing such damage or defect. Under no circumstance, however, shall the Goods be returned to Seller without Seller’s prior written agreement. Goods returned by Buyer shall be returned in the same condition as when delivery was effected by Seller. Seller reserves the right to assess a restocking charge for Goods returned for reasons other than being damaged or defective.

**4. PAYMENT AND SECURITY INTEREST:** Unless otherwise agreed in writing by Seller, full payment will be due upon tender of delivery of the Goods to Buyer. If Buyer does not pay on time, Seller reserves the right to charge Buyer 1.5% per month on the unpaid balance until paid. Buyer will have no right to offset any amounts against any payment or other obligation which Buyer may owe to Seller. Seller reserves, and Buyer hereby grants to Seller, a security interest in the Goods to secure Buyer’s payment of the purchase price and any other charges owed by Buyer to Seller, and Buyer agrees that Seller may (but is not obligated to) take such actions, including, but not limited to, filing financing statements against Buyer in favor of Seller with or without Buyer’s signature, as Seller deems advisable to evidence and perfect such interest and that Buyer will cooperate with Seller in the taking of such actions including without limitation the signing and filing by Buyer of financing statements.

**5. LIMITED WARRANTY, WARRANTY DISCLAIMERS AND LIMITATIONS OF REMEDIES AND LIABILITIES:** Seller warrants only to Buyer for commercial use that at the time of delivery the Goods will conform (subject to variations acceptable within the industry) to the descriptions thereof set forth in this Agreement. However, it is understood by Buyer and Seller that (i) NO DESCRIPTION IS A WARRANTY OF PERFORMANCE OR A WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; and (ii) all descriptions are subject to variations and tolerances within industry standards (as arising by both publication and usage of trade). Any Goods determined by Seller not to have been in conformity with Seller’s

warranty will be replaced or credited, at Seller's option, as long as Buyer has acted in accordance with Paragraph 3 of this Agreement. No item of Goods will be deemed defective or not in accordance herewith if such item conforms to previously accepted materials or if such item reasonably accommodates Buyer's intended purpose. In no event will Seller's liability exceed the paid purchase price of the Goods.

Except as set forth above, Seller makes no other warranties concerning the Goods whatsoever. **SELLER DISCLAIMS AND EXCLUDES ALL OTHER EXPRESS WARRANTIES AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.** Buyer agrees that Seller's obligation described in this Paragraph 5 is Seller's sole and exclusive liability and Buyer's sole and exclusive remedy with respect to defective or non-conforming Goods, WHETHER ANY CLAIM FOR RECOVERY IS BASED UPON OR ARISES OUT OF THEORIES OF CONTRACT, NEGLIGENCE, TORT (INCLUDING STRICT LIABILITY) OR OTHERWISE. **IN NO EVENT WILL SELLER BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES.** Buyer (i) recognizes that the provisions of this Paragraph 5 are a material factor in Seller's sale of the Goods at the price specified, and (ii) agrees that any accommodation to Buyer by Seller, whether for sales policy reasons or otherwise, shall not be taken to establish any liability of Seller or any contract term inconsistent herewith.

**6. COMPLIANCE WITH LAWS AND INDEMNITY FOR FAILURE:** Seller continues to attempt to comply with all applicable laws, regulations, ordinances, rules, standards and specifications (collectively, "Laws"). However, Seller is not responsible for compliance with any laws, regulations, standards or specifications applicable to the Goods or any returnable property, their delivery, use, handling, labeling, transportation or disposal, unless Buyer has furnished specific written notice thereof prior to Seller's entry of Buyer's order and Seller has expressly agreed to such responsibility for compliance. Except to the extent Seller has undertaken such responsibility pursuant to the immediately preceding sentence Buyer is responsible for complying with all Laws applicable to the Goods and any returnable property in which the Goods are delivered, their delivery, use, handling, labeling, transportation and disposal, and Buyer agrees to indemnify and hold Seller harmless from all liability of any nature for any claims or damages to property or injuries or death to persons arising out Buyer's failure in connection therewith.

**7. GENERAL INDEMNITY:** If Buyer's employees, associates or agents are on or about Seller's premises or other property under Seller's control, or are working with or using property owned by or under the control of Seller or Goods made by Seller for Buyer, Buyer will be responsible for their acts and omissions and agrees to indemnify and hold Seller harmless from all liability of any nature for any claims or damages to property or injuries or death to persons arising out of their acts or omissions, including without limitation (a) any claims arising from their failure to comply with applicable rules and regulations governing security, maintenance and safety, (b) any claims against Seller by or on behalf of any of them for injury or otherwise, or (c) any claims against Seller resulting from Buyer's failure to maintain workers' compensation or other public or private insurance with respect to any of them. The foregoing indemnity will also extend to, but not be limited to, claims asserted under the workers' compensation laws of Ohio or any other jurisdiction and any consequential increased premium or contribution cost of or for securing workers' compensation insurance, whether public or private, and/or any consequential costs of or for the direct payment of any such workers' compensation benefits. Buyer hereby expressly waives any statutory and/or constitutional immunity to which, but for this waiver, it might be entitled (a) as an employer in compliance with the State of Ohio's workers' compensation laws, or (b) under any other employee benefit statute or similar laws of any jurisdiction.

**8. PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT:** To the extent Buyer provides specifications for the Goods, or the packaging or labeling thereof, Buyer will defend, indemnify and hold harmless Seller from and against any and all claims, lawsuits and liability, including without limitation any loss, damages, or costs (including attorneys' fees), arising out of or in connection with any alleged infringement of any United States or other patent, copyright, trademark, or trade name held by others with respect to the Goods. Seller reserves the right to cancel Buyer's order without liability, if, in Seller's sole discretion, the manufacture, sale or use of the Goods would infringe any patents, copyrights, trademarks, or trade names.

**9. PRODUCT LABELS AND INFORMATION:** Buyer acknowledges that it has received and is familiar with Seller's and any other manufacturer's labeling and literature concerning the Goods sold hereunder and will forward such information to its employees, agents and customers.

**10. PERMISSIBLE VARIATIONS:** Without providing notice to Buyer, Seller has the right prior to the delivery of the Goods to Buyer to make any changes in the formula or composition of the Goods which, in the opinion of Seller, does not affect the general characteristics or properties of the Goods or are within applicable governmental or industry standards. Buyer will accept any Goods which may incorporate any changes in the formula or composition or specifications, and any increase in price resulting from such change will be paid by Buyer.

**11. PRICES:** Unless otherwise agreed in writing by Seller, the prices quoted in this Agreement (a) are F.O.B. point of shipment and (b) do not include applicable taxes, excises, duties, quotation fees or other governmental impositions which Seller may be required to pay or collect. Any such applicable taxes, etc., shall be paid by Buyer. Further, unless otherwise stated, all permits, licenses or authorizations necessary for the installation or use of the Goods will be obtained by Buyer at its sole expense. In the event Buyer changes its order (if and when permitted by Seller), Seller may adjust prices accordingly.

**12. CANCELLATION:** Seller may cancel or terminate all or part of the contract arising from or evidenced by this Agreement immediately if Buyer is delinquent on any of its obligations hereunder or under any other order or transaction with Seller; Buyer becomes insolvent; a custodian, as that term is defined in Title 11 U.S.C., as amended (the "Bankruptcy Code"), or state or federal court receiver is appointed for or on behalf of Buyer; a case under any chapter of the Bankruptcy Code is commenced for, by or against Buyer; Buyer suspends or terminates business or makes an assignment for the benefit of creditors; or any event occurs, whether or not similar to the foregoing, which in Seller's good faith belief materially impairs the prospect of payment or performance by Buyer hereunder. Seller's right to cancel or terminate may be exercised by Seller without liability.

**13. REPRESENTATIONS BY AGENT OR REPRESENTATIVE:** The terms in this Agreement shall govern the liability and obligations of Seller in regard to the sale of Goods, whether the sale was procured directly by Seller or indirectly through an authorized sales representative. Except for Seller's officers, no agent, employee or representative of Seller has any authority to bind Seller to any additional or contrary terms concerning the Goods sold under this Agreement. Unless a term is specifically included within this Agreement or is in writing signed by an officer of Seller, it shall not be enforceable by Buyer or by any person claiming by or through Buyer.

**14. QUOTATIONS:** If this Agreement is a quotation, the terms and prices stated will be firm only if accepted by Buyer within 30 days of the date hereof.

**15. CONFIDENTIALITY:** Buyer will not disclose or otherwise disseminate, directly or indirectly, any of the terms of this Agreement or any other information of Seller given to or received by Buyer or its associates or agents, unless Buyer receives Seller's written permission or such information is required to be disclosed by law or becomes part of the public domain through no fault of Buyer, its associates or agents.

**16. SAFETY:** Buyer warrants that it will comply with all OSHA and other safety-related laws, regulations, standards and requirements which are applicable to the use of the Goods and Buyer's business.

**17. LIMITATION OF ACTIONS:** Buyer may not bring any action or claim against Seller, on any theory whatsoever, arising under or related to this Agreement or the sale or use of the Goods, more than one year following the accrual of the action or claim.

**18. MISCELLANEOUS:** All sales are subject to approval of Seller's credit department. Orders entered on Seller's books cannot be cancelled or deferred except with Seller's written consent and upon terms that will indemnify Seller against all loss. The contract arising hereunder will be governed by the local laws of the State of Ohio. If any of the provisions hereof shall be deemed invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

No right or interest in the contract arising from this Agreement may be assigned by Buyer and no delegation of any obligation owed by Buyer under this Agreement shall be made without the prior written permission of Seller.

The rights and remedies of Seller reserved herein shall be cumulative and additional to any other or further remedies provided in law or equity. Waiver by Seller of Buyer's performance or inaction with respect to Buyer's breach of any provision in this Agreement, or failure of Seller to enforce any provision in this Agreement, shall not be deemed a waiver of future compliance therewith or a course of dealing or performance modifying such provision, and such provision shall remain in full force and effect as written.

As used herein, "Buyer" and "Seller" include the respective heirs, executors, personal representatives, successors and permitted assigns of each.

IN ALL CASES, CLERICAL ERRORS ARE SUBJECT TO CORRECTION.

REV. 1/12