

## **GENERAL TERMS**

1. **PARTIES:** As used herein, "Buyer" refers to the entity purchasing goods and/or services from a Georgia Gulf or Royal entity. The Georgia Gulf or Royal entity selling the goods and/or services is referred to as "Seller."
2. **CHANGES IN PRICE:** Unless indexed, the prices may be changed by Seller at any time without notice.
3. **GOVERNMENT RESTRICTION ON PRICES:** Seller shall have the right to terminate any order upon fifteen (15) days notice to Buyer in the event Seller desires to revise the price or prices pursuant to paragraph 1 or as otherwise permitted, but is restricted to any extent against so doing by reason of any law, decree, order or regulation of Government or in the event the price or prices currently effective hereunder are deemed to be in excess of those allowed under any law, decree, order or regulation of Government.
4. **INCREASED OR NEW TAXES:** Any tax or Governmental charge or increase in same hereafter becoming effective which increases the cost to Seller of producing, selling or delivering the product or of procuring materials used therein, or any tax now in effect or increase in same payable by Seller because of the sale of the product, such as, but not limited to, Sales Tax, Use Tax, Retailer's Occupational Tax, Gross Receipts Tax, may, at Seller's option, be added to the price herein specified. Nothing herein shall be construed to permit Seller to effect an increase of the price herein specified by reason of the imposition or increase in any corporate net income tax by any federal, state or local taxing entity or authority.
5. **WEIGHT MEASUREMENT OF BULK SHIPMENTS:** In the case of bulk shipments, Seller's weight shall govern unless established to be inaccurate.
6. **MONTHLY SHIPMENTS:** Shipments will be by the means indicated. If Buyer's order is for shipments over a period of time, or is of a quantity Seller typically ships over time, then such shipments will be made in full capacity carloads or truckloads as the case may be in approximately equal monthly quantities over the contract term. The maximum quantity which Seller shall be obligated to deliver in any month shall be one-twelfth (1/12) of the maximum quantity to be supplied by Seller during the calendar year containing that month. If Buyer fails to take the maximum quantity in any month, the undelivered part may, at the option of Seller, be canceled or be added at Buyer's request to subsequent deliveries. There shall be no obligation for Seller to tender to Buyer delivery of any quantity as to which Buyer has not given Seller shipping instructions.
7. **FORCE MAJEURE:** In the event war; insurrection; riot; fire; flood or other unusual weather condition; explosion; act of God; peril of the sea; strike, lockout or other industrial disturbance; sabotage; accident; embargo; breakage of machinery or apparatus; injunction; act of governmental authority; compliance with governmental order, rule or regulation, or national defense requirements; inability to obtain fuel, power, raw materials, labor containers or transportation facilities or any other circumstance beyond the reasonable control of the

parties interferes with the production, sale, shipment or consumption of product covered by this Contract or with the supply of any raw material used in connection therewith, the affected party may upon reasonable and prompt notice to the other, suspend deliveries for the period during which such conditions prevail.

If because of any such circumstances, Seller is unable to supply the total demand upon it for the product, Seller may allocate its available supply among all of its customers and itself in an equitable manner.

At the option of either party, the total quantity to be delivered hereunder shall be reduced by the quantity for which deliveries were suspended under this paragraph.

8. ENVIRONMENTAL FORCE MAJEURE: In the event either party ceases or suspends (a) the operation of any facility where it is producing or consuming any quantity of material deliverable hereunder or (b) the use or manufacture of material deliverable hereunder, and such termination or suspension is made because said facility, the operation thereof, and/or the use or manufacture of a material deliverable hereunder violates or fails to comply with or becomes uneconomical by virtue of compliance with any applicable governmental law, regulation, ordinance, standard, order or decree relating to pollution, ecology, environmental matter, health, or safety, either party shall have the right to terminate this Agreement in its entirety or suspend deliveries hereunder in whole or in part by written notice to the other party without liability resulting to either party. The aforesaid right to terminate or suspend deliveries may be exercised by either party at any time while such violation or failure continues and such cessation or suspension of operations is in effect. In no event shall Seller be obligated to purchase material from others in order to enable it to deliver material to Buyer hereunder nor shall Buyer be obligated to sell material to others in order to enable it to receive material from Seller hereunder. Each party agrees to notify the other seasonably in writing of any decision to terminate or suspend deliveries, for reasons specified in this paragraph.
9. TERMS OF PAYMENT: All amounts payable hereunder shall be paid in lawful money of the U.S. and in cash, or in negotiable paper collectible at its face value at Seller's location to which payment is to be made as directed in Seller's invoice.
10. TITLE AND RISK OF LOSS: Title and risk of loss in all product sold hereunder shall pass to Buyer upon Seller's delivery to carrier at shipping point. Seller warrants that it will convey good title and deliver product to the carrier at shipping point free from all lawful security interests, liens or encumbrances unknown to Buyer. If the destination is located outside the United States, Buyer shall be the importer of record.
11. WARRANTIES; LIMITATIONS: Seller expressly warrants that the product sold will be of the quality described on the face hereof and will meet Seller's standard specifications or the specifications, if any, attached hereto. Seller assumes no liability for Buyer's failure to comply with Buyer's obligations arising under European Union REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) Regulations." SELLER MAKES NO FURTHER WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, RELATING TO

THE PRODUCT, WHETHER USED ALONE OR IN COMBINATION WITH OTHER SUBSTANCES. SPECIFICALLY EXCLUDED ARE THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AND THE IMPLIED WARRANTY OF MERCHANTABILITY. Seller, upon request, may furnish to Buyer such technical advice as it may be able to supply with reference to the use by Buyer of any material delivered hereunder. Seller, however, assumes no obligation or liability for the advice given or the results obtained. Buyer agrees to fully determine the suitability of Seller's material in Buyer's formulations and applications prior to adopting them on a commercial basis.

12. LIMITATION OF LIABILITY; INDEMNITY: Rejection of nonconforming product must be made by Buyer in writing within seven (7) days after receipt of product and all defects ascertainable at time of giving of notice shall be stated with particularity or be deemed waived. Buyer's failure to give notice of any claim within said seven (7) days shall constitute an unqualified acceptance of the product and a waiver by Buyer of all claims with respect thereto. All rejected product shall be held for inspection. Demurrage shall be for Buyer's account if product does conform. If product does not conform, it shall be held by Buyer pending instructions for disposal from Seller (at Seller's expense). In the event of nonconformity of product, Buyer's exclusive remedy shall be rejection of product and, at Seller's election, (a) credit for the purchase price, including any transportation charges paid by Buyer or (b) Seller's repair or replacement of product.

No action of Buyer arising out of this Contract shall be commenced later than one year after the cause of action has occurred. No consequential or incidental damages shall be allowed either in the event of nonconformity or nondelivery of product. Buyer agrees to indemnify and hold harmless Seller from and against all liabilities, claims, demands, causes of action and other litigation of every kind an character ("Claims"), whether the Claims are based on contract, regulation, statute, tort, strict liability, product defect, equitable principles, or otherwise, arising from or in connection with Buyer's handling, possession, resale, or use of the product in Buyer's manufacturing process or otherwise, regardless of whether the product is used or resold alone or in combination with other substances. Buyer's obligation of indemnity set forth above shall not extend to Claims resulting solely from Seller's negligence.

Seller may recover for each shipment hereunder as a separate transaction, without reference to any other shipment. Should Buyer be in default respect to any of the terms or conditions under this or any other Contract with Seller, Seller may, at its option and without prejudice to any other legal or equitable remedy, either terminate this Contract or suspend any further deliveries hereunder until correction of the default. In the event Seller must resort to collection, Buyer agrees to pay interest at the statutory rate, and all costs of collection, including reasonable attorney's fees.

If, in Seller's judgment, Buyer's credit shall become impaired at any time, Seller may require prepayment in cash until such time as Buyer's credit has been re-established to Seller's satisfaction.

In the event of suspension of deliveries due to Buyer's default or credit impairment, the contract term may, at Seller's election, be extended by a time equal to that during which deliveries are suspended.

In addition to any other remedies provided by law or this Agreement, should Buyer breach this agreement, or fail to timely pay when due any invoice, Buyer's right to any and all rebates, whether earned, accrued, paid, or otherwise, shall be void. Any rebate that has already been paid to Buyer shall be remitted to Seller within 30 days of Seller's notice or invoice.

Seller's waiver of any breach, or failure to enforce any of the terms and conditions of this Contract, at any time, shall not in any way affect, limit or waive Seller's right thereafter to enforce and compel strict compliance with every term and condition hereof.

13. **APPLICABLE LAW:** All aspects of the transaction between Seller and Buyer shall be governed by and construed in accordance with the laws of the Province of Ontario if the Buyer is located in Canada or the laws of the State of Georgia if the Buyer is located anywhere else. Buyer agrees to accept service of process by mail. Buyer and Seller irrevocably attorn to the exclusive jurisdiction of the courts of such state or province without giving effect to any principles of conflicts of laws. If any provision or provisions hereof are void or are declared to be void, such provision or provisions shall be deemed and hereby are severed from this document which shall otherwise remain in full force and effect. Any dispute, claim or controversy arising out of or related to this contract, including the breach, termination or validity thereof, shall be finally resolved by arbitration in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration if Buyer is a non-US entity, otherwise the CPR Rules for Non-Administered Arbitration then currently in effect, by a sole arbitrator if the amount in controversy is less than US\$1 million or by three arbitrators if the amount in controversy is US\$ 1 million or more, of whom each party shall appoint one arbitrator. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof. All proceedings shall be conducted in the English language. The place of the arbitration shall be Atlanta, Georgia. Judgment upon the award rendered by the arbitrators shall be in United States Dollars.
14. **ACCEPTANCE:** Any different or additional terms or conditions in Buyer's Purchase Order, acknowledgment, invoice, or other document are rejected and not binding. Unless a prior, signed agreement between the parties exists, Buyer's acceptance of these terms and conditions, without change, addition, modification, or objection, is a condition for delivery of Goods, and these terms and conditions of sale constitute the entire agreement between the parties. There are no understandings, representations or warranties of any kind, express or implied, not expressly set forth herein. This agreement may not be modified, amended, or supplemented except by a written document signed by a vice president or the duly authorized Director of Sales of Seller.

15. **GENERAL:** Any reproduction of this Agreement by reliable means will be considered an original of this Agreement. The United Nations Convention on Contracts for the International Sale of Goods is expressly excluded. The parties expressly waive any right to a jury trial regarding disputes related to this Agreement. The following statement is translated in English to “At the express request of the parties, this Agreement has been prepared in the English language” and is applicable only if either or both of Buyer or Seller is located in Canada. “A la demande des parties aux présentes, cette convention a été préparée dans la langue anglaise”.
16. **ASSIGNABILITY:** Neither party may assign this Contract its rights under this Contract without specific written consent to the assignment by the other party; provided that either party may assign to its own corporate affiliate if said affiliate accepts in writing all of the provisions of this Contract and agrees to become in all respects bound thereby in the place and stead of the assigning party.
17. **ALERT LINE:** Georgia Gulf maintains a toll free number where legal and ethical concerns may be reported confidentially. That number is 1-800-93ALERT.