

PPG
CANADIAN PURCHASE ORDER GENERAL CONDITIONS

- 1. ACCEPTANCE.** “**Buyer**” refers to the buyer of the goods or services listed on the face of the purchase order and “**Seller**” refers to the seller of such goods or services. This Purchase Order (“**Order**”) constitutes Buyer’s offer to Seller and is subject to withdrawal at any time prior to communication of acceptance by Seller to Buyer. Subject to Section 2 below, upon such acceptance, the terms and conditions on the face of the Order and these Purchase Order Conditions supersede all prior representations or arrangements and contain the entire agreement (“**Agreement**”) between the parties relating to the purchase of the goods or services listed on the face of the Order, and shipment or delivery of said goods or performance of services by Seller shall be deemed to be acceptance of this Agreement in its entirety. Subject to Section 2 below, Seller is hereby notified of Buyer’s objection to any terms and conditions inconsistent herewith and to any additional terms and conditions proposed by Seller in accepting or acknowledging this Order and such terms and conditions shall not become a part of this Agreement. Neither Buyer’s subsequent lack of objection to any such terms and conditions, nor the acceptance of goods or services ordered hereby, shall constitute or be deemed an agreement by Buyer to any such terms and conditions. If this Order is construed as an offer, this offer expressly limits acceptance to the terms of this offer and notice of objection to any different or additional terms in any response to this offer is hereby given. If this Order is construed as an acceptance of an offer, this acceptance is expressly conditioned upon the offerer’s assent to any different or additional terms contained on the front or reverse side herein (if this Purchase Order is in paper form) or any different or additional terms available by hyperlink to this Order and referenced herein (if this Order is made available electronically). If this Order is construed as a confirmation of an existing contract, the parties agree that this confirmation states the exclusive terms of any contract between the parties. This Order is accepted by Seller by: (i) written confirmation by Seller, either by facsimile or electronic mail; (ii) electronic acknowledgement (including an acknowledgement through Buyer’s electronic procurement program in accordance with the terms specified by such electronic procurement program); or, (iii) Seller undertaking to provide the goods or services. Further and to the extent legally permissible, if Buyer is not notified by Seller, in writing, within seven (7) calendar days after receipt by Seller of this Order that the terms and conditions of this Order are not acceptable to Seller, Buyer will assume the terms and conditions are acceptable to Seller and will proceed in reliance thereon
- 2. INCORPORATION OF TERMS.** If this Order is for delivery of goods or performance of services under any existing written contract between the parties signed by their authorized representatives (“**Contract**”), the terms of that Contract shall also apply and shall prevail in the event of any conflict between this Agreement and the Contract in any respect.
- 3. INVOICES/ PAYMENTS.** Unless otherwise stated on the Order, payment terms shall be as follows: an invoice shall be due and payable after acceptance of the goods or services covered by this Order or receipt by Buyer of proper invoices, whichever is later on the first day of the calendar month that immediately follows the date that is sixty days after the date of the acceptance of the goods or services or invoice. For example: An invoice dated April 10 shall be due on July 1. Seller’s invoice shall include the Order number, date of delivery, delivery address, quantity and description of goods and services provided, and shall be sent to the billing address identified on the Order. Buyer may offset against Seller’s invoice any amount owed or to become due by Seller to Buyer under this Agreement, the Contract or any other agreement between the parties. Unless otherwise stated on the Order, Seller shall invoice Buyer only for the actual cost of the goods or services ordered with no additional handling or surcharges, and Seller shall provide appropriate documentation of same. Seller’s invoices shall be in such format and medium (including, without limitation, being in electronic medium as part of Buyer’s electronic procurement program) as Buyer may direct from time to time. Payments may be made by cheque, wire transfer, Buyer’s Corporate Purchasing Card, or other means mutually agreed upon from time to time. Unless otherwise specified herein, payment terms will be 2% 10th prox..
- 4. PRICES.**

 - 4.1. Unless otherwise stated on the Order, prices shall be deemed to include all charges for packing, crating or cartage, storage, transportation and other such matters. Seller certifies that the prices herein are not higher than the prices being charged to other customers purchasing identical goods in similar quantities at this particular time and do not discriminate against Buyer. Unless expressly provided on the face of the Order, all Orders are payable in Canadian dollars and all taxes on the production, delivery or sale of the goods and services shall be collected and paid by Seller. If the price(s) is not stipulated herein, this Order is not to be filled at any price(s) higher than the last price(s) previously quoted to Buyer by Seller. Unless otherwise specified herein, prices are firm for the term of this Order and in any event may not be increased without prior documented acceptance from Buyer.
 - 4.2. If at any time during the term of this Order, Buyer receives from another source an offer to supply material of like quality to that offered by Seller at a price which results in a price lower than the delivered price then in effect hereunder (“Favourable Prices”), Buyer may request Seller to meet such competitive offer. If within five (5) working days after the date of Buyer’s request Seller shall not have agreed to meet the competitive offer, Buyer, at its option, may purchase the material from the competitive source and the quantity so purchased shall be deducted from this Order. Buyer anticipates that it may receive competitive offers from third parties to supply the materials at Favourable Prices through an internet web based trading platform (an “On-line Offer”), and if Seller is provided with a written or electronic invitation to participate in the applicable on-line event that may result in an On-line Offer at least seven (7) calendar days prior thereto, the Seller will meet, or not meet, the Favourable Prices of the On-line Offer during the on-line event. Seller’s failure to meet such Favourable Prices during the on-line event shall be deemed a decision not to meet such Favourable Prices regardless of whether Seller specifically notifies Buyer thereof.
- 5. DUTY DRAWBACK RIGHTS.** Seller hereby transfers to Buyer all Canadian Goods and Services Tax (GST) and/or Customs Duty drawback rights related to the materials (including rights developed by substitution and rights that may be acquired from Seller’s suppliers) which Seller can transfer to Buyer. Seller will inform Buyer of the existence of any such rights and, upon Buyer’s request, will supply Buyer with such documents as may be required to obtain such drawbacks, including waivers when required.

6. **CHANGES AND CANCELLATION.** Buyer has the right to cancel or change any unfilled portion of the Order upon giving Seller written notice. If Buyer elects to cancel or change this Order, Buyer shall have the option to take any goods, services, work or other items included in this Order whether finished, unfinished, or in process, upon such terms as Buyer and Seller may negotiate. If this Order is terminated for convenience, any claim of Seller shall be settled on the basis of reasonable costs it has incurred in the performance of this Order. If, however, termination is occasioned by Seller's breach of this Agreement or the Contract, Seller shall not be entitled to any costs. Upon receipt of notice of cancellation hereunder, Seller shall, unless otherwise directed, immediately discontinue all work in process and immediately cancel all orders or subcontracts given or made pursuant to this Order.
7. **SHIPPING.** Seller shall pack, mark and prepare the materials for shipment in a manner which will prevent damage or deterioration, secure the lowest transportation rates, comply with applicable regulations, include any applicable material safety data sheet and otherwise conform to Buyer's and carrier's instructions or requirements.
8. **SCHEDULING AND DELIVERY.** Time is of the essence herein. Deliveries of materials or performance of work shall be strictly in accordance with the schedule referred to on the reverse side hereof and in the exact quantities ordered. Seller will notify Buyer immediately if the schedule cannot be met. If Seller fails to make deliveries or perform the services at the time agreed upon, Buyer reserves the right to cancel the Order, purchase elsewhere and hold Seller accountable for any additional costs or damages incurred. In all cases, except as otherwise expressly provided on the face of this Order, the delivery terms shall be DDP (Incoterms 2010) Buyer's delivery address.
9. **WARRANTIES.**
- 9.1. Seller warrants: (a) that the goods and services furnished under this Order shall be of the quantity and description specified in the Order; (b) all materials, services and work furnished hereunder will conform to the requirements of this Order (including but not limited to all applicable descriptions, specifications, drawings, data and samples, whether supplied by Seller or Buyer) and will be of first class material and workmanship, and free from defects including defects in design, and will be merchantable and fit for the particular purpose(s) for which Seller understands the same are to be used; (c) all materials herein described and their sale or use alone or in combination will not infringe any patents, trademarks, trade secrets or proprietary rights of any third party; (d) that the goods and services furnished under this Order will be free of any liens or encumbrances and, (e) in performance of this Order, Seller has complied or will comply, and all materials or work or services furnished hereunder have been produced or furnished in full and complete compliance, with all applicable Federal, provincial and municipal laws and ordinances and all lawful orders, rules and regulations thereunder. Without prejudice to Buyer's other rights and remedies Seller, at its expense and as required by Buyer, shall repair, replace or make good at the convenience of Buyer any defective or non-conforming materials or work or else Seller shall refund the purchase price and transportation costs applicable thereto. These warranties and remedies are in addition to, and shall not be construed as restricting or limiting any warranties or remedies of Buyer, express or implied, in the Agreement or the Contract, or which are provided by law or exist by operation of law.
- 9.2. (a) Each shipment of material shall be accompanied by an accurate certificate of analysis or other mutually agreeable quality control data. Seller acknowledges that buyer, in reliance upon Seller's warranties hereunder, will use the Material without first analyzing it. (b) Seller shall not change the composition, manufacturing location, or process used to produce the material from that present when the material was originally approved by Buyer, without Buyer's written consent. (c) Any container holding the Material when the Material is delivered to Buyer will be labeled with the net weight of the Material contained therein, and the actual weight of the Material contained in any container shall not deviate from the weight shown on the container's label by more than one percent (1%) if the labeled net weight is sixty (60) pounds or less, or by more than one-half of one percent (0.5%) if the labeled net weight is greater than sixty (60) pounds. (d) The Seller shall flow down all Buyer's quality related requirements and key product characteristics, if any, to its sub-tier supplier.
- 9.3. Seller shall not assign or subcontract this Order or any of the work hereunder, without the prior written consent of Buyer, other than to the extent to which subcontracting is necessary for the purpose of obtaining raw material, parts and processes, for which Seller is not equipped and which are portions of the work normally subcontracts in carrying out similar contracts. Applicable requirements in the purchase order, including key requirements, shall be flow down to sub-tier suppliers.
- 9.4. Seller shall maintain a quality system that complies with ISO 9000 standards or equivalent. Quality records must be kept for 7 years.
10. **INSPECTION.** Goods and services purchased hereunder are subject to Buyer's inspection and approval at Buyer's destination. Buyer reserves the right to reject and refuse acceptance of goods or services which are not in accordance with the instructions, specifications, drawings or data or Seller's warranties (expressed or implied). Goods not accepted will be returned to Seller at Seller's expense. Payment shall not constitute acceptance of the goods or services, does not impair Buyer's right to inspect, and does not impair any of Buyer's remedies. Buyer reserves the right to inspect and expedite the materials, and their fabrication, at the facilities of Seller or its suppliers. Inspection by Buyer does not relieve Seller of any warranties or obligations hereunder.. However, it is understood that Buyer shall not be obligated to inspect any materials or work until Seller (including any contractor or sub-contractor of Seller) completes the performance of all of its obligations hereunder.
11. **USE OF INFORMATION.** All specifications, drawings, samples, designs and other data or information ("Information") furnished by Buyer to Seller hereunder or in contemplation hereof or developed by Seller in connection herewith shall remain Buyer's property. All originals and copies of such documents shall be returned to Buyer upon request. Unless such Information was previously known to Seller free of any obligation to keep it confidential, or has been or is subsequently made public by Buyer or a third party, it shall be kept confidential by Seller and used only with respect to this Order.

12. **BUYER'S PROPERTY.** All tools, tooling, dies, molds, patterns, machinery, fixtures, equipment, software, and any other property furnished to Seller by Buyer or paid for by Buyer for use in the performance of this Order shall be and remain the sole property of Buyer, subject to immediate removal upon Buyer's request without legal proceedings, notice or liability, used only in filling orders of Buyer, held at Seller's risk for any loss or damage, kept insured by Seller while in Seller's custody or control in an amount equal to the replacement cost thereof, the loss payable to Buyer, and kept free of any lien, attachment, levy, claim or security interest or encumbrance of any kind whatsoever not caused by Buyer. If requested by Buyer, Seller shall execute and return any and all documents and agreements as may be prepared by Buyer acknowledging, among other things, that any such property is the Buyer's property.
13. **WORK PERFORMED ON BUYER'S PREMISES.** In the event this Order contemplates the performance of any services or other work on or requires entry onto Buyer's premises, Seller (including its employees, agents and subcontractors) shall comply with Buyer's applicable site and safety rules and Seller shall be responsible for all damage to property or injuries to persons (including death) arising out of such services, work or entry and hereby agrees to indemnify and hold Buyer harmless from and against any and all resulting claims, liability, losses and expenses.
14. **FORCE MAJEURE AND ALLOCATION.** The performance of each party's obligations under this Agreement is subject to contingencies beyond the control of such party, including but not limited to acts of God (earthquakes, explosions, flood, etc.), acts or failures to act of suppliers, acts of military or civil authorities, fire or other casualty, strikes, lockouts, severe weather, epidemic, war, riots, delays in transportation or car shortages, or inability to obtain necessary labor, materials, components, equipment, services, energy or utilities from regular sources ("Force Majeure Event"). Unless otherwise specified herein, in the event that Seller is unable to produce/deliver the materials required hereunder by Buyer due to a Force Majeure Event, Seller shall allocate its' available supply of the material among its' internal uses and current contract purchasers on a basis no less favourable to Buyer than a pro rata basis. Subject to the foregoing, under any Force majeure event, neither party shall be liable to the other party for failure of performance and the parties are relieved of any obligation to each other for damages that may result from such contingencies; provided, however, that the party claiming such circumstance shall provide prompt, written notice of such circumstance to the other party and shall diligently and in good faith use all commercially reasonable efforts to mitigate any loss or damage to the other party due to such non-performance, and the parties shall perform their obligations to the maximum extent and as soon as possible.
15. **DEFAULT.** Upon default by either party in performing any obligation hereunder, the other party may give notice in writing of such default to the defaulting party. Unless the default is cured within fifteen (15) days after giving notice, this Order may be terminated by the party giving notice. Such termination shall not relieve the party in default from any obligations under or from liability for breach of this Order. Notwithstanding the foregoing, if any material shipped does not conform to its warranties, Buyer may, without prejudice to any of its rights, terminate this Order without Seller having the right to cure the default. Waiver by either party of a single default, or a succession of defaults, shall not deprive such party of any rights arising by reason of any other default.
16. **INDEMNIFICATION.** Seller assumes the risk of all damage, loss, costs and expense, and agrees to indemnify, defend and hold harmless Buyer, its officers, employees and representatives, from and against any and all damages, claims, demands, expenses (including reasonable legal fees), losses or liabilities of any nature whatsoever, and whether involving injury or damage to any person (including employees of Seller and Buyer) or property, and any and all suits, causes of action and proceedings thereon arising or allegedly arising from or related to the subject matter of this Order, Agreement or Contract, except where such injury or damage was caused by the sole negligence of Buyer. This indemnity shall survive the termination or cancellation of this Order, or any part hereof. Seller shall pay all damages, awards, interest, attorneys' fees and costs in connection herewith.
17. **INSURANCE.** For work or services done for Buyer on premises designated by Buyer, Seller shall furnish Buyer, prior to commencement of the work or services, certificates of insurance showing that Seller has Comprehensive General Liability (including automobiles), including public, product, premises and completed operations, contractual and vendors liability, with limits of not less than \$2,000,000 per occurrence and in the aggregate. Such insurance must : (a) be maintained with an insurance carrier reasonably acceptable to Buyer; (b) be written in a form reasonably acceptable to Buyer; (c) be written on an occurrence basis; (d) be primary and non contributory with respect to any insurance carried by or on behalf of Buyer, (e) contain a waiver of subrogation in favor of Buyer; and (f) include Buyer as an additional insured. Seller must notify Buyer at least thirty (30) days in advance of any material change, cancellation or non renewal of any policy to which this Agreement applies, except that ten (10) days notice is required in the event of cancellation for non-payment of premium. Seller shall also furnish Buyer with a clearance certificate or letter confirming that the Seller has Workers' Compensation coverage and that its account with the applicable Workers' Compensation board is in good standing and such coverages shall not be allowed to change or expire until all services or work have been completed and accepted.
18. **DISPUTES.** Except to the extent of a claim to enforce confidentiality obligations or to collect on an undisputed delinquent account, and as a precondition to instituting any legal action, any controversy, claim or dispute between Buyer and Seller arising out of or relating to the provisions of this Order shall, upon written request of either party, immediately be referred jointly for resolution to senior executives of each of the Parties who have authority to settle the controversy and who are at a higher level of management than the person(s) with direct responsibility for day-to-day administration of this Order. Within fifteen (15) days after delivery of the written request of the party, the receiving party shall submit to the other a written response. The request notice and the response shall each include: (i) a statement of the respective party's position and a summary of arguments supporting that position; and, (ii) the name and title of any other person who will accompany the senior executive to any meetings regarding the dispute. Within thirty (30) days after delivery of the disputing party's request notice, the senior executives of both parties shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary, to attempt in good faith to resolve the controversy. The parties agree to honor all reasonable requests for information. All negotiations pursuant to this provision are confidential and shall be treated as compromise and settlement negotiations for purposes of applicable rules of evidence. If the controversy has not been resolved by negotiation within forty-five (45) days of the disputing party's

request notice, or if the parties failed to meet within thirty (30) days of such request notice, the parties agree to attempt to settle the dispute by mediation in accordance with the National Arbitration Rules of the ADR Institute of Canada Inc. then currently in effect (the "ADR Rules"). A neutral mediator shall be selected from ADR Institute. All mediation proceedings are non-binding. This mediation must be concluded within any period mutually agreed upon by the parties or if there is no such agreement, within forty-five (45) days of the selection of the mediator. Unless the parties expressly agree otherwise, each party shall bear its own costs, legal and expert fees incurred in the mediation, and evenly share the cost of the mediator. If after proceeding in good faith (i) the parties are unable to agree on a neutral mediator within thirty (30) days of the failure of the senior executives to meet as required aforesaid or the failure of the senior executives to resolve the dispute, whichever is earlier; or, (ii) with the assistance of a neutral mediator, the parties do not resolve the dispute within the period prescribed in this Section, either party may initiate litigation to resolve the dispute.

- 19. NOTICE.** All documents, notices and communications to be given hereunder or in connection herewith shall be in writing, signed (signing may be by an electronic signature) by the party giving or making the notice or communication and shall be deemed given when: (i) (x) delivered in person or by messenger or (y) sent by facsimile or electronic mail on the date of receipt of a facsimile or electronic mail, provided that the sender can and does provide evidence of successful transmission and that such day is a business day (and if it is not, then on the next succeeding business day) or (z) three (3) business days after being deposited in the Canadian mail in a sealed envelope with sufficient postage affixed, registered or certified, return receipt requested, and (ii) addressed to Seller or Buyer at the addresses set forth on the reverse side hereof, or to such other addresses or designee(s) as may be hereafter designated by a party after providing written notice thereof to the other party.
- 20. SOLICITATION.** Seller agrees to report promptly to the Vice President, Purchasing and Distribution, of PPG Industries, Inc., the parent corporation of Buyer, any solicitation by an employee, agent or representative of Buyer or Seller of an offer or gift which is intended to induce or influence the other party to engage in conduct which is corrupt, deceptive or otherwise improper.
- 21. REPRODUCTIONS.** This Order, and all documents relating hereto and thereto, may be stored and/or reproduced by any means or process including electronic or mechanical means. Any reproduction shall be admissible into evidence as the original in any litigation without regard to whether the original is in existence. If a party signs this Order and then transmits an electronic facsimile of the signature page, (including, without limitation, in PDF format), the receiving party may rely upon such electronic facsimile as an originally executed signature page without any modification or change to this Order, unless such modification or change is noted on such electronic facsimile by the transmitting party. If this Order is made available electronically and a party signifies its consent to be bound by this Order by clicking "I agree" (or words of similar import) where indicated at the bottom of this Order or otherwise signifies its consent in accordance with the terms specified by Buyer's electronic procurement program, then the receiving party may rely upon such consent to this Order.
- 22. COMPLIANCE WITH LAWS.** Seller shall comply with all applicable laws, rules and regulations, including without limitation applicable country, federal, provincial and local laws regarding exports, imports, licensing, labor and employment, health, safety, security and the environment that apply to Seller's sale and delivery of goods to Buyer and in the performance of its obligations hereunder. Further, Seller warrants that all chemical substances furnished which are permitted to be reported to the Canadian Environmental Protection Act (CEPA) are listed as chemical substances in the CEPA current inventory registry. Seller agrees to indemnify, defend and hold Buyer harmless from and against any expense, loss, damage or liability resulting from Seller's failure to comply. ALL HAZARDOUS MATERIALS must be labeled with a warning statement indicating the material or ingredient by name, the hazard involved, and the necessary precaution, in addition to any other federal or provincial requirement
- 23. MISCELLANEOUS.** (a) The failure of either party in any one or more instances to insist on performance of any of the provisions hereof, or any part thereof, shall not be construed to be a waiver of such provision, or any part thereof in the future; (b) This Order, its performance, any interest herein or in any monies due or to become due herein, may not be assigned or subcontracted by Seller without the prior written consent of Buyer; (c) The remedies herein reserved by Buyer shall be cumulative, and additional to any other or further remedies provided in law or equity; (d) All claims for monies due or to become due from Buyer shall be subject to deduction by Buyer for setoff or counterclaim arising out of this or any other of Buyer's contracts or agreements with Seller; (e) If any term or condition herein shall be held invalid, void or unenforceable, such holding shall not have the effect of invalidating, voiding or rendering unenforceable the remainder of this Agreement ; (f) Subject to Section 2, this Order, including all documents referenced herein, contains the entire agreement of the parties with regard to the subject matter hereof, supersedes any prior communications, commitments or contracts between the parties relating to the subject matter hereof, and no modification of this Order shall be of any force or effect unless reduced to a writing that specifically references this Order, states an express intent to modify or amend this Order, and is signed by the parties; (g) The provisions of this Agreement which from their context or application are intended to survive either the purchase and sale of goods or services hereunder, or the expiration or earlier termination of this Agreement, as applicable, shall so survive and, (h) This contract is made under the laws of the Province of Ontario (without giving effect to the conflict of law principles thereof) and this contract shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein (except as the provisions of such laws are herein varied), and in the previous regard Seller and Buyer mutually agree that the United Nations Conventions on Contracts for the International Sale of Goods does not apply to this Order or the sale by Seller to Buyer of the materials. Notwithstanding the applicability of the laws of the province of Ontario, Buyer may specify on the Order the shipment of goods using a mode of transport term designated as an Incoterms (International Commercial Term), and if so specified on the Order, then Incoterms 2010 shall apply, but only for the purposes of designating the mode of transport, transportation and carrier responsibility, risk of loss at transfer point, and if applicable for designating the parties' relative import and export obligations.
- 24. EXPORT CONTROLS.** Buyer and Seller each acknowledge that they, as well as the materials, services, work and technology ("Items") sold or otherwise transferred under this Order, may be subject to U.S. and other export controls, embargoes, sanctions and similar laws, regulations and requirements ("Export Controls"), as well as Buyer's export policies, controls, and procedures as communicated to Seller in

writing by Buyer during the course of their business relationship hereunder ("Export Compliance Requirements"). Seller agrees to: (1) comply with Export Controls; (2) comply with Seller's obligations under Export Compliance Requirements; and, (3) provide Buyer with all information and documentation deemed necessary by Buyer in order for Buyer to comply with all Export Controls as they relate to this business transaction. Seller is to report to Buyer's Chief Compliance Officer ("CCO") any suspected or actual violations of any Export Controls that involve Items or employees of Buyer or its subsidiaries, to the extent such reporting is legally permitted in Seller's country. Seller may also report any suspected or actual violations of Export Compliance Requirements or of Buyer's Global Code of Ethics ("Code"), especially the portion of the Code related to export compliance regulations. Any such reports may be submitted anonymously and in confidence, without threat of retaliation, by one of the following three options (information on the options is available at www.ppg.com): (i) Buyer's Hotline; (ii) Buyer's online reporting system; or, (iii) direct email to Buyer's CCO ([ChiefComplianceOfficer@ ppg.com](mailto:ChiefComplianceOfficer@ppg.com)). Notwithstanding anything to the contrary set forth in this Order, should Seller fail to comply with (i) Export Controls or (ii) Export Compliance Requirements, Buyer reserves the right to immediately terminate this Order and its business relationship with Seller without liability therefore to Seller.