

EVANS ADHESIVE CORPORATION, LTD.
PURCHASE ORDER TERMS AND CONDITIONS

1. General. Each Purchase Order ("Order") of **EVANS ADHESIVE CORPORATION, LTD.** ("Buyer") for the goods and/or services covered by the Order (collectively, "Goods"), together with the agreements, specifications or other documents specified in, attached to or otherwise applicable to the Order ("Agreements"), and including these Purchase Order Terms and Conditions ("Terms and Conditions"), constitutes the complete and final agreement of Buyer and the vendor to whom the Order is addressed ("Seller") and may not be added to, modified, superseded or altered except by written agreement signed by Buyer's authorized representative, notwithstanding any terms and conditions which may now or in the future appear on Seller's invoices, quotations, acknowledgments or other forms, and notwithstanding any acceptance of shipment, payment or other similar act of Buyer, objection thereto being given hereby. Prompt acceptance of an Order by signing and returning the acknowledgment copy is requested but, in any event, any shipment, delivery or other tender of performance of Seller shall be taken as Seller's acceptance of the Order and these Terms and Conditions. In the event of direct conflict between an Order and the Agreements, the provisions of the Agreements will prevail.

2. Order Changes. Buyer shall have the right at any time to change any Order as to delivery, quantity, packaging or means of shipment. Seller's receipt of Buyer's notice of change without response received by Buyer within 10 days, or shipment or other performance reflecting the change, whichever occurs first, shall be Seller's acceptance of the change without any price or other adjustment to the Order.

3. Packaging, Transportation. Seller will pack, label and ship all Goods in a commercially reasonable manner selected by Seller which will ensure the timely, safe and conforming delivery and the lowest transportation cost in the absence of specific instructions in the Order. Unless otherwise specified in the Order, all shipments are F.O.B. Buyer's place of delivery or destination. Buyer's count of the Goods will be final as to all shipments not accompanied by a packing list.

4. Delivery. Delivery times and quantities specified for Goods are of the essence and are for delivery at Buyer's designated place of delivery or destination. Seller will inform Buyer immediately of any occurrence which will or is expected to result in delivery at a time or a quantity not specified in the Order, and also of corrective measures Seller has taken to minimize the effect of such occurrence. Unless Buyer has given Seller an extension of time in writing, Buyer may reject or return at Seller's expense and risk of loss any delivery of Goods or part thereof which occurs after the delivery date.

5. Price, Taxes, Payment. Unless otherwise specified in the Order, all prices shall be inclusive of applicable taxes, excises, duties, quotation fees or any other governmental impositions related to the production, sale or transportation of the Goods. Buyer and Seller will cooperate in obtaining such certificates or other evidence of inapplicability of or exemption from any sales, excise or other taxes to which either party may be entitled. Unless otherwise specified in the Order, payment terms for Goods shall be net 45 days.

6. Seller's Warranties. Seller warrants that the Goods furnished pursuant to the Order will: (A) be not less than merchantable; (B) meet specifications, drawings or other standards agreed upon or samples submitted or approved by Buyer and shall conform to the Agreements; (C) comply with all applicable federal, state (including, but not limited to the California Transparency in Supply Chain Act of 2010, if applicable) and local laws, regulations, rules, ordinances, orders and the like; and (D) be free from all lawful claims of any person of any description, including all security interests, liens and encumbrances. Payment by Buyer shall not constitute acceptance of the Goods or waive any rights of Buyer under the Order. In the event that any Goods are not in compliance with the warranties stated herein, Buyer may at Seller's cost and expense, and without limitation or exclusion of any other right or remedy, return the defective Goods to Seller at Seller's risk of loss for a full refund by Seller and/or, at Buyer's option, require Seller to repair, correct or replace the defective Goods.

7. Inspection. All Goods shall be subject to final inspection by Buyer which shall be made within a reasonable time after receipt, irrespective of day of payment, and any Goods which are not fully satisfactory to Buyer may be rejected by notice to Seller. Rejected Goods are to be replaced with conforming Goods within the fastest reasonable time after notice of rejection, or at the option of Buyer, the quantity of Goods may be reduced by the number of rejected Goods.

8. Cancellation of Orders. Buyer may at any time terminate an Order in whole or in part by written notice, whereupon Seller shall terminate work pursuant to the Order. In the event of a cancellation, for reasons other than the bankruptcy or insolvency of Seller, Buyer and Seller agree as follows:

(A) **Specialized Goods.** If the Goods ordered are made specifically for Buyer and cannot be sold to other purchasers, upon termination by Buyer, Seller shall advise Buyer of the quantities of applicable work and material on hand and the most favorable disposition that Seller can make thereof. Seller will comply with Buyer's instructions regarding disposition of such work and material. All claims by Seller based on such termination must be asserted within 60 days from the date of the termination notice for the amount of the Order price of finished work plus the cost to

Seller (excluding profit or losses) of work in process and raw material, less, however: (1) the agreed value of any items used or sold by Seller; and (2) the reasonable value or cost (whichever is higher) of any defective or damaged work or material. Buyer will make no payments for finished work, work in process or raw materials fabricated or procured by Seller unnecessarily in advance or in excess of Buyer's requirements. Payment under this clause shall constitute Buyer's only liability in the event an Order is terminated.

(B) **Standard Goods.** If the Goods ordered are normally carried in inventory by Seller (as distinguished from subsection (A) above), Buyer shall not have liability for termination of the Order, in whole or in part, prior to actual shipment and within 10 days after receipt of Goods by Buyer, except that in such latter situation Buyer shall return such Goods to Seller at Buyer's expense.

9. Buyer's Property. All business and technical information and intellectual property, including but not limited to all tools, tooling, equipment, dies, jigs and specifications related to the manufacture of the Goods ("Tooling") and all patents, trade secrets, trademarks, copyrights, title and interest in any and all know-how, methodologies, products, production methods, processes, sources of supply, customers, inventions, ideas or otherwise ("Proprietary Materials"), which are furnished to Seller or paid for by Buyer shall be: (A) deemed to have been provided only to facilitate the sale of Goods under the Order and shall not be used by Seller for any other purpose; (B) retained in confidence; (C) the sole property of Buyer; and (D) if in tangible form, returned to Buyer with final shipment or termination under the Order.

10. Intellectual Property Indemnity. In the event that any claims, demands or lawsuits are brought against Buyer relating to the trade names, trademarks, copyrights or patents, and/or are based upon unfair competition by reason of sale or use of Seller's Goods, Seller shall indemnify and hold Buyer harmless from and against any and all claims, cost and expenses, including any attorneys' fees, resulting from or related thereto. Seller shall not be liable for any such infringement which is due solely to the manufacture or fabrication of Goods strictly in compliance with designs or specifications supplied by Buyer.

11. On-Premises Indemnity. To the extent that Seller's employees, agents or other representatives ("Seller's Agents") are on the premises of Buyer, Seller shall be responsible for the acts and omissions of Seller's Agents upon Buyer's premises and agrees to indemnify and hold Buyer harmless from liability for any claims or damages to property or injuries or death to persons arising out of acts or omissions, including without limitation: (A) the failure of Seller's Agents to comply with applicable rules governing security, maintenance and safety at Buyer's premises; (B) any claim against Buyer by Seller's Agents for injury or otherwise; or (C) any claim against Buyer resulting from Seller's failure to maintain workers' compensation or other public or private insurance with respect to any of Seller's Agents. In furtherance of the foregoing, Seller hereby expressly waives any and all statutory and/or constitutional immunity to which it might be entitled as an employer in compliance with the State of Ohio's or any other jurisdiction's workers' compensation laws or under any other employee benefit statutes or similar laws of any jurisdiction.

12. Insurance. Seller will maintain insurance, in amounts customary in Seller's industry, with reputable and financially responsible insurance companies, insuring against all public liability, including injury and death to persons, products liability and damage to property, arising out of or related to the Goods or Seller's performance under an Order, and shall furnish Buyer, upon request, certificates of such insurance authenticated by the issuing company. Except as otherwise agreed by Buyer, Seller will insure all shipments of Goods for full value. Seller will also maintain workers' compensation insurance covering all employees and will provide certification of such insurance if requested by Buyer. Buyer's failure so to request shall not be a waiver of this requirement.

13. Force Majeure. Buyer or Seller may suspend performance during the occurrence of an excusable delay, which shall mean any delay not occasioned by the fault or negligence of the delayed party which results from the acts of God or public enemy, restrictions, prohibitions, priorities or allocations imposed by governmental authority, embargoes, floods, fires, typhoons, earthquakes, epidemics, unusually severe weather, delays of similar nature or governmental causes, and strikes or labor disputes (of or involving the delayed party's employees only). Excusable delays do not include lockout, shortage of labor, lack of or inability to obtain raw materials, fuel or supplies or any other industrial disturbance. Nothing contained in this section shall limit Buyer's rights under an Order in any way. In the event of an excusable delay, neither party shall be liable for the other party's incidental or consequential damages resulting from that delay. In any event, if any excusable delay lasts longer than 14 days, Buyer may terminate any Order(s) affected thereby with no further liability thereunder.

14. Miscellaneous. The laws of the State of Ohio shall govern Buyer's Orders. If any provision is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of the parties that such provision will be deemed severed and omitted from the Order, the remaining portions of the Order to remain in full force and effect as written. Without Buyer's prior written consent, Seller shall not advertise or publish in any manner that Seller has furnished Goods to Buyer. Seller may not assign any Order or any of its duties under an Order. In all cases clerical errors are subject to correction.