

TERMS AND CONDITIONS

These Terms and Conditions govern the sale of Products to another ("Buyer") by PolyOne Corporation and its affiliates ("Seller").

1. **Acceptance.** The product description, quantity, price and payment terms identified on Seller's order confirmation and these Terms and Conditions ("Terms") govern all sales by Seller and are the exclusive terms and conditions of sale, except as modified by a written agreement signed by the parties. All offers by Seller to sell Product are expressly conditioned on Buyer's acceptance of these Terms. Seller's processing of any order is expressly conditioned on Buyer's assent to and acceptance of these Terms, including all terms that are different from or in addition to any purported terms and conditions of the order. Any additional, different or other terms and/or conditions contained in any purchase order, document, website or other communication by or from Buyer are hereby objected to and rejected by Seller. In the event of any claimed conflict between these Terms and any other document not signed by Seller, these Terms shall control.
2. **Exclusive Limited Warranty.** Seller warrants good and clear title in goods subject to the sale ("Product") and that the Product conforms at the time of shipment to a Certificate of Analysis or a Certificate of Compliance, if either such document exists, and other specifications signed by Seller ("Specifications"). Seller has based any recommendations to Buyer upon information that Seller considers reliable, but Seller makes no warranty as to any results Buyer might obtain in Buyer's use(s) for the Product. No warranty is made or given on any Products for which Buyer has not paid Seller in full when due. These warranties extend only to Buyer. **Seller makes no representation or warranty of any kind with respect to the product, express or implied, respecting merchantability or fitness for any particular purpose, whether used alone or in combination with any other material or in any process, and neither party has relied on any statement outside of these terms.**
3. **Exclusive Remedy and Limitation of Liability.** Buyer shall examine Product promptly after receipt for damage, short-weight and non-conformance with Seller's warranties. Buyer must give Seller written notice of the existence of each claim involving Product (whether based in contract, breach of warranty, negligence, strict liability, other tort or otherwise) within the earlier of thirty (30) days after receipt of the quantity of Product forming the basis for the claim or applicable shelf-life expiration, if any. A failure by Buyer to give such notice within the applicable time constraint will constitute an absolute and unconditional waiver of all such claims. Buyer's sole and exclusive remedy for any claim shall be, at Seller's option, a refund or credit of the purchase price paid by Buyer for the Product shown to be damaged or not in conformity with Seller's warranties or replacement of such Product. **Seller's entire liability to Buyer for damages, whether under breach of warranty or any other cause whatsoever, and whether under this contract or otherwise, shall in no event exceed that part of the purchase price applicable to the portion of Product giving rise to Buyer's claim for such damages. In no event shall Seller have liability to Buyer for any incidental, consequential, indirect, exemplary, punitive or special damages.**
4. **Intellectual Property Infringement.** Buyer assumes all risk of infringement of third-party intellectual property rights by reason of any use Buyer makes of the Product in combination with other substances or in the operation of any process, and all infringement arising out of Seller's compliance with Buyer's designs, specifications or instructions, and Buyer shall defend, indemnify and hold Seller harmless from and against the same.
5. **Discontinuation.** Seller may discontinue any Product sold hereunder at any time, unless Buyer and Seller have otherwise agreed in writing.
6. **Payment and Credit.** Buyer shall make all payments hereunder in cash or cash equivalent at face value in the funds, within the time, and at the location indicated on Seller's invoice. Late payments will bear interest at 1.5% per month. Buyer shall have no right of set-off. If Seller determines that Buyer's financial responsibility has become impaired or otherwise unsatisfactory to Seller, Seller at its discretion may require advance cash payments, COD, shorter terms, and/or the posting of satisfactory security by Buyer, and may withhold shipments.
7. **Governmental Constraints.** If a present or future law, governmental decree, order, regulation, or ruling under any existing or future legislation prevents Seller from increasing or revising the price as provided herein, or nullifies or reduces any price or price increase hereunder, upon written notice from one to the other Seller and Buyer will attempt to identify mutually agreeable changes to conform this contract with such law, decree, order, regulation, or ruling. If the parties cannot agree upon and implement such changes within sixty (60) days after such notice, Seller shall thereupon have a right to terminate this contract forthwith by written notice to Buyer.
8. **Terms Adjustment.** Seller may change the price and/or terms of delivery and shipment at any time up until shipment, except where a written alternative pricing mechanism exists in this contract. In addition, at any time prior to delivery, Seller may pass through increased freight, transportation, or fuel surcharges, and/or duties, tariffs, or taxes imposed upon Seller in connection with the sale/shipment of the Product after order acceptance.
9. **Taxes, Fees, and Duties.** Buyer will reimburse Seller for all federal, state, provincial, local or other taxes (other than income taxes), excises or charges, including environmental remedial taxes and fees, which Seller must pay in connection with the manufacture and supply of Product, but only those amounts not already included in the price at the commencement of this contract. Seller reserves to itself all applicable duty drawback allowances, and Buyer shall provide assistance in connection with Seller's application for the same.
10. **Title and Risk of Loss; Other Risks.** Title and risk of loss to the Product shall pass to Buyer at Seller's point of shipment. Buyer assumes all risks and liabilities (i) arising out of unloading, discharge, storage, handling and use of the Product, or (ii) arising out of compliance or non-compliance with federal, state, provincial, or local laws and regulations governing or controlling such activity. Seller has no liability for the failure of discharge or unloading equipment or materials used by Buyer, whether or not supplied by Seller.
11. **Force Majeure.** Seller shall not be subject to any liability or damages for delay in performance or non-performance as a result of fire, flood, ice, natural catastrophe, strike, lockout, labor shortage, labor dispute or trouble, accident, riot, act of governmental authority, act of God, act of terrorism, or other contingencies and/or circumstances beyond its reasonable

control interfering with the production, supply, transportation, or consumption of the Products or with the supply of any raw materials used in connection therewith, or the inability of Seller to purchase raw materials at a commercially reasonable price, or if performance would be contrary to, or constitute a violation of, any regulation, law, or requirement of a recognized government authority, and quantities so affected may be eliminated by Seller from this contract without liability or damages to Seller, but this contract shall otherwise remain unaffected. Seller may, during any period of shortage due to any cause, prorate, and allocate its supply of such materials among itself for its own consumption, its subsidiaries, affiliated companies, its accepted orders, contract customers, and its regular customers not then under contract in such a manner as may be deemed fair and reasonable by Seller. In no event shall Seller be obligated to purchase any substitute Products in the marketplace to satisfy its obligations hereunder. Buyer's failure to pay for the Products shall not constitute a force majeure event hereunder.

12. **Shortage of Product.** During periods when demand for Product exceeds Seller's capability to supply, whether due to a force majeure or otherwise, Seller may distribute Product among itself for its own uses, Buyer, and other customers, in such manner as Seller deems fair and practicable. Buyer shall accept, as full and complete performance by Seller, deliveries in accordance with such determinations as Seller may make. Except in the case of a force majeure, if not satisfied with Seller's determination, Buyer as its sole remedy shall have a right to terminate this contract without further obligation upon: (i) 10 calendar days' written notice; and (ii) payment for all Product received to date.
13. **Notice of Change.** Unless otherwise agreed in a writing signed by Seller, Seller may make changes to its Product and process without notice to, or approval from, Buyer so long as the Product Specifications are not impacted by the change.
14. **Indemnities.** Except to the extent solely attributable to the gross negligence or willful misconduct of Seller, Buyer will indemnify, defend and hold Seller harmless from all costs, expenses, damages, judgments or other loss, including without limitation costs of investigation, litigation and reasonable attorney's fees ("Buyer Indemnity Costs"), arising out of Buyer's selection, use, sale or further processing of the Product or Buyer's product made therefrom. Buyer acknowledges that Seller has furnished to Buyer Safety Data Sheets, which include warnings together with safety and health information concerning the Product and/or the containers for such Product. Buyer shall disseminate such information so as to give warning of possible hazards to persons whom Buyer can reasonably foresee may receive exposure to such hazards, including, but not limited to, Buyer's employees, agents, contractors and customers. Buyer shall indemnify, defend and save Seller harmless against any and all liability for Buyer Indemnity Costs arising out of or in any way connected with Buyer's failure to disseminate such information. Buyer intends that its indemnification obligations for claims related to or brought by anyone directly or indirectly employed by Buyer or its subcontractors will not be limited by

any provision of any worker's compensation act, disability benefit act or other employee benefit act, and Buyer hereby waives immunity under such acts to the extent it would bar recovery under or prevent enforcement of Buyer's indemnification obligations. With respect to the state of Ohio, this waiver applies to Section 35 Article II of the Ohio Constitution and Ohio Revised Code Sec. 4123.74.

15. **Re-Sale and Re-Export.** Seller expressly prohibits re-sale of Product unless expressly permitted by Seller in writing. Buyer will comply with all laws and regulations respecting the export and/or re-export of Product.
16. **No Publicity.** Buyer shall not use Seller's name or trademarks in any advertisements, product descriptions, packaging materials, websites, or any other promotional materials, except with the prior written consent of Seller.
17. **Assignment/Delegation/Subcontracting.** Buyer may not assign rights or delegate duties hereunder except with the prior written consent of Seller, not to be unreasonably withheld. Seller may assign rights or delegate duties and/or subcontract the performance of Seller's obligations hereunder without the consent of Buyer.
18. **Integration.** These Terms, together with (i) the product description, quantity, price, and payment terms stated on Seller's order confirmation, (ii) any credit agreement, and (iii) the Specifications, if any, constitute the complete and final agreement and understanding between Seller and Buyer relating to the Product and supersede all prior oral or written communications, agreements, understandings, representations, statements, and assurances between the parties. No statement of agreement, oral or written, made before or at the formation of the contract shall vary or modify the written terms hereof, and neither party shall claim any amendment, modification or release from any provision hereof unless such change occurs in a writing signed by the other party and specifically identifying it as an amendment to the contract. No modification or addition to the contract shall occur by the acknowledgment or acceptance by Seller of a purchase order, acknowledgment, release or other form submitted by Buyer containing additional or different terms or conditions.
19. **U.N. Convention.** The United Nations Convention respecting Contracts for the International Sale of Goods shall not apply to sales under these Terms.
20. **Applicable Law.** The law of the State of Ohio shall apply, without regard to conflict of law principles. All litigation concerning these Terms shall occur only in the state and federal courts in the Northern District of Ohio, and each party consents to exclusive jurisdiction in such courts.
21. **Termination.** Seller may terminate this contract at its sole option upon 14 calendar days' written notice to the other party.
22. **Severability.** In the event of invalidity of a provision of these Terms, the parties shall deem that provision stricken in its entirety and the balance of these Terms shall remain in full force and effect.