

**REFLECTIVE SOLUTIONS NORTH AMERICA STANDARD TERMS AND CONDITIONS OF SALE
(REFLECTIVE SOLUTIONS PRODUCTS)**

1. APPLICABILITY

These Reflective Solutions North America Standard Terms and Conditions of Sale (“Terms and Conditions”) shall apply to all sales, purchase orders, contracts for sale, shipments, and sales order acknowledgments (each, an “Order”) of reflective film products (“Products”) by Avery Dennison Corporation’s Reflective Solutions North America Division, whether in the United States through Avery Dennison Corporation, or in Canada through Avery Dennison Canada Corporation (each, “AVERY DENNISON” or “SELLER”) and any customer (“PURCHASER”). All Orders, sales, offers, acceptances, sales order acknowledgments, contracts for sale, and shipments of Products are expressly limited to and made conditional on PURCHASER’S assent and agreement to these Terms and Conditions. AVERY DENNISON expressly limits PURCHASER’S acceptance to these Terms and Conditions, and notification is hereby given that AVERY DENNISON objects to and rejects any terms or conditions contained in any purchase order or other communication of any kind from the PURCHASER that are different, conflicting, inconsistent with or additional to these Terms and Conditions.

2. PRICE

Unless otherwise confirmed in AVERY DENNISON’S sales order acknowledgment or in a separate agreement signed by AVERY DENNISON and PURCHASER, all prices are EXW (Incoterms® 2010) at AVERY DENNISON’S shipping point. All prices are exclusive of any present or future federal, state, provincial, local, municipal or other taxes applicable to the sale of Products, or any duties or charges of any kind imposed by a governmental authority. Any such taxes shall be added to the price and paid by PURCHASER unless PURCHASER provides AVERY DENNISON with a valid exemption certificate acceptable to AVERY DENNISON and the appropriate taxing authorities. All prices are subject to change without prior notice; however, prices shall be those contained in the appropriate AVERY DENNISON price list covering the Products ordered and in effect on the “ship date” noted on the face of AVERY DENNISON’S sales order acknowledgment or other confirmation form. Orders calling for future delivery shall be invoiced at prices in effect on the ship date.

3. PAYMENT

PURCHASER shall be invoiced only for the quantity actually shipped. Payment term is net 30 days from date of invoice. Time is of the essence for payment of invoices and payment is material to the sale or contract for sale of Products. A 1.0% discount is available if payment is received within ten 10 days of date of invoice, but no other deduction or any set-off shall be allowed without AVERY DENNISON’S express written permission. Invoices not paid within 30 days of date of invoice shall accrue a late payment charge of 1.0% per month on the unpaid balance, or the maximum amount permitted by law, until paid (“Late Fee”). The imposition of a Late Fee is not intended to infer any consent, acquiescence or other agreement, express or implied, by AVERY DENNISON to forbear or otherwise defer collection of unpaid invoice amounts. PURCHASER confirms, acknowledges and agrees that it would be difficult and expensive to attempt to determine the actual damage sustained by AVERY DENNISON as the result of the default payment of any individual account and that the charge of 1.0% per month referred to above represents a reasonable endeavor to fix AVERY DENNISON’S minimum probable loss resulting from delinquent payment, that such charge bears a reasonable relation to such loss and that the surcharge is reasonable in amount. In the event AVERY DENNISON uses a third party collection agent or initiates a collection action to recover a debt, AVERY DENNISON shall be entitled to recover attorney fees, expenses and costs associated with such collection of unpaid amounts.

AVERY DENNISON may, without notice to PURCHASER, hold or reject Orders, hold or cease shipments of confirmed Orders, alter or revoke credit terms, and/or require payments in advance, if AVERY DENNISON determines in its sole discretion that PURCHASER’S financial condition or payment history do not justify new Orders, shipping Product, or continuing credit terms. PURCHASER’S failure to pay any AVERY DENNISON invoice by its due date makes all outstanding invoices immediately due and payable irrespective of terms, and AVERY DENNISON may reject or hold Orders, or withhold deliveries, until the full account is settled. If AVERY DENNISON requests adequate assurances of PURCHASER’S ability and/or intention of paying for Orders, shipments or invoices, or its ability generally to pay debts as they come due, PURCHASER will provide to AVERY DENNISON, within three days of the request, business records that are kept in the ordinary course of business and that satisfy the request.

4. ORDER FULFILLMENT

Shipments that are more or less than the actual quantity ordered shall constitute filling the Order if such variance does not exceed the following percentages: (i) 10% for stock and custom Orders where AVERY DENNISON uses standard raw materials; and (ii) 20% for custom Orders or where AVERY DENNISON uses non-standard raw materials. An Order may be cancelled or terminated only with AVERY DENNISON's consent and upon terms that will fully compensate AVERY DENNISON for loss (if any) due to cancellation or termination.

5. SHIPMENT, TITLE, RISK OF LOSS

Unless otherwise confirmed by AVERY DENNISON's sales order acknowledgement or in a separate agreement signed by AVERY DENNISON and PURCHASER, shipping is EXW Incoterms® 2010 at AVERY DENNISON's shipping point. Title and risk of loss to all Products purchased shall pass to PURCHASER upon placement of the Products on a common carrier at AVERY DENNISON's shipping point, regardless of the freight terms stated or method of payment of transportation charges. AVERY DENNISON reserves the right to specify the carrier and routing of shipments. AVERY DENNISON intends to ship within the time specified in AVERY DENNISON's sales order acknowledgment, if indicated, and if not, then within a reasonable time. Unless specified in AVERY DENNISON's sales order acknowledgment, freight charges shall be prepaid and billed. As collateral security for the payment of the purchase price, PURCHASER grants to AVERY DENNISON a lien on and security interest in and to all of the right, title and interest of PURCHASER in, to and under the Products, wherever located, and whether now existing or hereafter arising or acquired from time-to-time, and in all accessions, substitutions, and replacements thereto and replacements or modifications thereof, as well as all proceeds (including insurance proceeds) of the foregoing. If PURCHASER is in the Province of Quebec, PURCHASER will grant a hypothec to and in favour of AVERY DENNISON over the Product sold to PURCHASER in order to secure the prompt payment of the purchase price. Such payment obligations shall, at the option of AVERY DENNISON, become payable and the security interest or hypothec granted hereby may be enforced if PURCHASER defaults in making such payment when due. In connection herewith, PURCHASER hereby authorizes AVERY DENNISON, or its agents, to make one or more filings under any applicable *Personal Property Security Act* (or equivalent legislation, as applicable) and any applicable amendments or renewals thereof. For certainty, this security interest constitutes a purchase money security interest under the Ohio Uniform Commercial Code.

6. TRANSIT DAMAGE AND NON-CONFORMING PRODUCTS

- a) PURCHASER is responsible to receive the entire shipment as tendered, unless PURCHASER notes obvious damage to the shipment packaging and Product, in which case the PURCHASER should take a picture of the damage, not accept the shipment from the freight carrier, and notify AVERY DENNISON. If no obvious damage to the packaging, then after acceptance of the shipment, PURCHASER shall inspect it and immediately write on the freight bill any missing or damaged portion of the shipment. This must be reported to AVERY DENNISON within 48 hours of receipt of the shipment. For damage claims, the entire package must be retained until after the claim has been evaluated and a determination and/or credit memo has been issued.
- b) Within 5 calendar days of receipt of the shipment, any concealed damage or non-conforming Products must be reported to AVERY DENNISON. Retaining the entire package is necessary until after a concealed damage inspection report is issued by the carrier, or until the non-conforming Product can be assessed and AVERY DENNISON provides instructions for return or other handling of the package. A determination of credit will be made once the claim has been evaluated. A credit will not be issued for any claims made after the 5 calendar day time period.
- c) Speed is of utmost importance (TIME IS OF THE ESSENCE for the deadlines set forth in Section 6 of these Terms and Conditions). Prompt inspection, as well as prompt filing, of the claim with all necessary documents will facilitate fast settlement. NOTE: Without the appropriate paperwork, credit cannot be issued.
- d) For verified claims of transit damage or non-conforming Products, AVERY DENNISON may either replace the Product or refund the purchase price, in AVERY DENNISON's sole discretion. The remedies set forth in Section 6 of these Terms and Conditions for transit damage and non-conforming Products are PURCHASER's sole and exclusive remedies.

PURCHASER must follow the claims handling procedures published on the website for the Reflective Solutions Division (including a claim form and instructions on that form) located here: <https://reflectives.averydennison.com/en/home/customer-tools/claims.html> . For any questions about how to file a claim, contact the home office. All claims must be accompanied by the following documents: (i) copy of freight bill with notation of damage or shortage, and date, time and receiver's name must be included; (ii) photograph(s) of damaged goods; and (iii) a copy of an inspection report to AVERY DENNISON's claims representative. RETAIN COPIES FOR YOUR FILES. Under no circumstances shall AVERY DENNISON be responsible for any damage or shortage on collect shipments.

7. COMPLIANCE

Products are manufactured in compliance with all applicable requirements of the Fair Labor Standards Act, as amended. Except as otherwise agreed in a signed writing, normal tolerances in AVERY DENNISON specifications shall not be cause to reject products.

8. RETURNS

All Products are returnable only in accordance with the warranty provision in Section 9. Before returning any Product, PURCHASER must obtain from AVERY DENNISON's home office prior written approval and instructions.

9. LIMITED WARRANTY

ALL STATEMENTS, SERVICES, INFORMATION, AND RECOMMENDATIONS (TECHNICAL OR OTHERWISE) ABOUT SELLER'S PRODUCTS, AND THE USE OR APPLICATION OF SUCH PRODUCTS, ARE BASED ON SELLER'S EXPERIENCE AND TESTING AND ARE BELIEVED TO BE RELIABLE BUT DO NOT CONSTITUTE AN EXPRESS OR IMPLIED GUARANTEE OR WARRANTY AS TO ACCURACY, COMPLETENESS OR RESULTS TO BE OBTAINED. ALL PRODUCTS ARE SOLD AND SAMPLES AND SERVICES PROVIDED WITH THE AGREEMENT THAT PURCHASER ASSUMES SOLE, INDEPENDENT RESPONSIBILITY FOR ITS OWN QUALITY CONTROL, TESTING, QUALIFICATION PROCESS AND DETERMINING THE SUITABILITY OF PRODUCTS FOR ANY INTENDED USE OR PURPOSE.

The Products are warranted for one (1) year* from date of shipment to be free from defects in material or workmanship so that the Products meet AVERY DENNISON's specifications This warranty applies solely to the original PURCHASER of the Products and creates no rights or obligations for any third party. Upon the determination to SELLER's satisfaction that the Products were stored and used by PURCHASER in accordance with Seller's suggested, applicable standards (if any) and not damaged during transportation, PURCHASER's sole and exclusive remedy for breach of this warranty shall be the replacement of the defective Products or, at SELLER's option, the issuance of a credit or refund in an amount up to the purchase price of the defective Product. In no event shall SELLER be responsible for claims beyond the purchase price of the defective Product. PURCHASER will maintain traceability of converted Products to confirm a claim is based on Seller's actual Product, and lack of traceability may result in denial of a claim in whole or in part.

THE WARRANTY SPECIFICALLY SET FORTH IN THIS SECTION 9 IS IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE AND/OR NON-INFRINGEMENT, WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE. AVERY DENNISON SPECIFICALLY DISCLAIMS AND EXCLUDES ALL OTHER SUCH WARRANTIES.

No representative or agent of AVERY DENNISON is authorized to give any guarantee or warranty or make any representation contrary to the terms and conditions herein, unless in writing and manually signed by an officer of AVERY DENNISON.

*Or the time period stated on the published Product specification or data sheet, if any, in effect at time of shipment.

10. LIMITATION OF LIABILITY

IN CONNECTION WITH PRODUCTS, THE SALE OF PRODUCTS OR ANY CONTRACT FOR SALE OF PRODUCTS, AND IN CONNECTION WITH ANY KIND OF SERVICE PROVIDED BY SELLER TO PURCHASER (SUCH AS TECHNICAL SERVICES, CONSULTATIONS, AND RESPONSES TO PRODUCT INQUIRIES OR CLAIMS), NO CLAIM BY PURCHASER OF ANY KIND, AND NO LIABILITY OF AVERY DENNISON OF ANY KIND, SHALL BE GREATER IN AMOUNT THAN THE PURCHASE PRICE OF THE PRODUCTS OR SERVICES IN RESPECT OF WHICH DAMAGES ARE CLAIMED. PURCHASER'S SOLE AND EXCLUSIVE REMEDY IS REPLACEMENT OF PRODUCT OR CREDITING OF PURCHASE PRICE, IN SELLER'S DISCRETION. ALL CLAIMS, SUITS, OR LEGAL ACTIONS NOT FILED BY PURCHASER WITHIN ONE YEAR OF THE DATE A CAUSE OF ACTION HAS ACCRUED ARE WAIVED AND BARRED.

SELLER SHALL HAVE NO LIABILITY WHATSOEVER FOR SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES (NOR FOR DAMAGES FOR INJURIES TO PERSONS OR PROPERTY, BUSINESS INTERRUPTION, DIMINUTION IN VALUE AND LOST PROFITS, REGARDLESS OF WHETHER THE DAMAGES ARE CHARACTERIZED AS DIRECT OR CONSEQUENTIAL DAMAGES OR OTHERWISE) WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, AND REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSES.

11. ASSIGNMENT

The rights or obligations of AVERY DENNISON and PURCHASER related to the purchase and sale of AVERY DENNISON Products shall be binding on, inure to the benefit of, and will be enforceable by AVERY DENNISON and PURCHASER and their respective heirs, legatees, legal representatives, successors and assigns.

12. NON-WAIVER

No waiver by SELLER of any of the provisions of these Terms and Conditions is effective unless explicitly set forth in writing and manually signed by an officer of AVERY DENNISON. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from these Terms and Conditions may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege under these Terms and Conditions precludes any other or further exercise of any right, remedy, power or privilege.

13. FORCE MAJEURE

SELLER shall not be liable to PURCHASER, nor be deemed to have defaulted on or breached these Terms and Conditions, for any delay or failure in fulfilling or performing any sale, contract for sale, shipment, service, or any other matter in connection with the sale and shipment of Products or these Terms and Conditions to the extent such failure or delay is caused by or results from (1) circumstances, causes, or contingencies beyond SELLER's reasonable control including, whether similar or dissimilar to the items listed in (2) of this Section 13, or (2) changes in shipment schedules, accident, fire, strike, lockout or other labor dispute, disease or epidemic, riot, civil commotion, insurrection, war, terrorist act, the elements, embargo, failure of carrier, inability to obtain transportation facilities, inability or delay in obtaining adequate or suitable materials, telecommunications or power outage, government requirements, acts of God or public enemy, prior Orders from others, or limitations on AVERY DENNISON's or its suppliers' products or marketing activities.

14. CHOICE OF LAW

Any and all disputes that arise out of or from, or that relate in any manner to, these Terms and Conditions, the Products, sales and contracts for sale of Products, or the dealings of the parties shall be governed by, construed, and enforced in accordance with the laws of the State of Ohio, without giving effect to Ohio's or any other state's choice or conflict of laws provision or statute.

15. ENTIRE AGREEMENT

*Standard Terms and Conditions of Sale
Reflective Solutions North America Division*

These Terms and Conditions and AVERY DENNISON's sales order acknowledgment or confirmation embody the final and entire agreement between AVERY DENNISON and PURCHASER concerning the subjects herein, are intended as a complete and exclusive statement of the terms and conditions of agreement regarding the Products and the sale of Products set forth on AVERY DENNISON's sales order acknowledgment, and supersede any prior or collateral written or oral agreement, negotiations, or understanding between the parties relating to the subject matters hereof. PURCHASER acknowledges that AVERY DENNISON has not made any representation or promise to PURCHASER, and that PURCHASER has not relied on any representation or promise, other than those which are specifically referred to or contained herein. Confirmation or acceptance of PURCHASER's Order does not constitute acceptance of or agreement to PURCHASER's terms and conditions. The parties confirm that it is their wish that these Terms and Conditions and any other documents delivered or given under these Terms and Conditions, including notices, have been and will be in the English language only. *Les parties aux présents confirment leur volonté que cette convention de même tous les documents, y compris tous avis, s'y rattachant, soient rédigés en anglais seulement.*

AVERY DENNISON CORPORATION
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