

ROYAL GROUP, INC. TERMS AND CONDITIONS OF SALE

THESE TERMS AND CONDITIONS APPLY TO THE SALE OF ANY PRODUCTS BY ROYAL GROUP, INC. OR ANY OF ITS SUBSIDIARIES OR AFFILIATED COMPANIES (COLLECTIVELY, "SELLER").

ALL ORDERS ARE ACCEPTED AND ALL SALES ARE EXPRESSLY MADE CONDITIONAL ON PURCHASER'S AGREEMENT TO THESE TERMS AND CONDITIONS NOTWITHSTANDING ANY PURCHASE ORDERS OR OFFERS CONTAINING DIFFERENT OR ADDITIONAL PROVISIONS. PURCHASER'S ACCEPTANCE OF GOODS CONSTITUTES ACCEPTANCE OF THESE TERMS AND CONDITIONS AND ALSO PURCHASER'S AGREEMENT THAT THEY CONTROL OVER ANY TERMS, CORRESPONDENCE OR FORMS SUPPLIED BY PURCHASER AT ANY TIME.

ACCEPTANCE/CANCELLATION. Orders cannot be cancelled by Purchaser without Seller's written consent and are subject to change or price adjustment based on fluctuations in material price and availability. These Terms and Conditions are a final, complete and exclusive statement of the parties' agreement. No statements or changes of any kind or any conflicting terms or conditions in any writing by Purchaser to Seller are binding on Seller unless specifically agreed to in writing by Seller. Prior statements, representations, and agreements not incorporated are excluded and superseded hereby. No course of prior dealings between Seller and Purchaser and no usage of trade shall be used to supplement any term in this agreement. Acceptance or acquiescence in a course of performance shall not be relevant to alter the meaning of this agreement.

MODIFICATIONS MUST BE IN WRITING. These Terms and Conditions shall not be modified or rescinded by agreement or conduct or waived unless specifically agreed to in writing by Seller. The amount of any present or future sales, use, excise, or similar taxes, applicable to the ordered goods shall be added to Seller's price and paid by the Purchaser, unless the Purchaser timely provides Seller with a tax exemption certificate applicable to Seller.

SHIPMENT/DELIVERY. Seller shall not be liable for any penalty or damages, liquidated or otherwise for any shipment delays. Unless otherwise stated by Seller, goods are shipped F.O.B. shipping point only; and all loss, damage and delay in transit are at the risk of the Purchaser. Unless otherwise stated by Seller, when goods have been delivered to a carrier, risk of loss passes to Purchaser and Seller's responsibility for delivery ends. Shipments should be examined carefully before being accepted from the carrier. Seller assumes no responsibility for damage after having received "in good order" receipts from a carrier at shipping point. Claims for shortages or non-conforming shipments must be made in writing and sent to Seller immediately upon Purchaser's receipt of the shipment (i.e., within 24 hours of Purchaser's receipt of the Shipment). Failure to give such notice shall be deemed unqualified acceptance of the Shipment, and a waiver by Purchaser of any claim with respect to the Shipment.

TITLE TO GOODS. Purchaser acknowledges and agrees that until payment of the amount shown on Seller's invoice is received by Seller, title to the goods covered by that invoice shall remain with Seller, whether or not the goods are in the Seller's possession and whether or not they have been fabricated or used by the Purchaser. Until such payment has been made in full, Seller shall have the right to at any time without notice to enter the premises where the goods are situated and take possession of the same in the event that Purchaser's payment obligation for those goods has become past-due, and the Purchaser agrees to defend, indemnify and save Seller harmless from any and all costs, expenses and damages (including legal fees) arising out of any claim asserted against the Seller as a consequence to the Seller's exercise of such right.

INSURANCE. The Purchaser agrees to keep the goods fully insured against loss, theft, destruction and damage (including where the same occurs while the goods are in the possession of the carrier that is transporting the goods or in the possession of a third-party warehouse) occurring at any point after Purchaser or Purchaser's carrier or other representative takes possession of the goods, which insurance shall be placed with insurance companies for the benefit of the Seller and the proceeds of any such insurance shall, at the option of the Seller, be applied to the payment due or becoming due at the time of such payment or applied toward the replacement of the goods and if the goods shall be replaced, then, and in such event the terms, provisions and conditions of this agreement shall apply to such replaced products with the same force and effect as if such replacement products had originally

been the subject of this agreement.

DEFAULT. If Purchaser defaults in paying by the specified due date any of the payments provided for in any invoice issued by Seller, or if a proceeding in bankruptcy, receivership or insolvency shall be instituted or filed by or against the Purchaser as a debtor, bankrupt, defendant or insolvent or if the Purchaser shall enter into any arrangement or agreement with its creditors, the full amount of the purchase price then remaining unpaid shall, at the option of the Seller be immediately due and payable, anything to the contrary in any other document or agreement notwithstanding, it being expressly agreed that the title in the goods shall vest in the Purchaser only on the payment of the full purchase price and on the compliance by the Purchaser with Purchaser's obligations under these terms and conditions.

RETURNS. Unless Purchaser has been first obtained Seller's consent to accept goods for return or credit, Seller will not be required to accept returned goods from Purchaser. Risk of loss for returned goods will remain with Purchaser and Purchaser shall reimburse Seller for any cost Seller incurs in connection with the shipment and return of the goods. Goods fabricated to order (i.e., "custom goods") are not returnable under any circumstances except as part of a remedy pre-approved by Seller for a legitimate warranty claim.

NON-PAYMENT/ ENFORCEMENT. Interest at the maximum legal rate not exceeding 18% per year shall be charged on overdue accounts at a rate of 1.5% per month. If an invoice is not paid when due, or it becomes necessary for Seller to enforce these terms and conditions, Purchaser agrees to pay all costs of collection, or enforcement or both, including attorney's fees, whether incurred in or out of court, or appeal, in arbitration, in a bankruptcy proceeding, or in any insolvency proceedings.

PENALTY CLAUSES. Seller assumes no liability arising from penalty or liquidated damage clauses of any kind, written or implied.

LIMITED WARRANTY/SOLE REMEDY.

SELLER WARRANTS THAT IT HAS GOOD TITLE TO THE GOODS SOLD BY IT AND THAT THE GOODS CONFORM TO ANY WRITTEN SPECIFICATIONS OR DESCRIPTIONS ISSUED BY SELLER FOR THOSE GOODS, OR AGREED UPON IN WRITING BETWEEN SELLER AND BUYER.

SELLER'S ENTIRE LIABILITY TO PURCHASER IS LIMITED TO THE PURCHASE PRICE OF THE GOODS IN RESPECT OF WHICH A CLAIM IS MADE AND COSTS OF TRANSPORT.

IF GOODS SOLD TO PURCHASER FAIL TO CONFORM TO THIS LIMITED WARRANTY, PURCHASER MUST GIVE SELLER WRITTEN NOTICE OF SUCH NONCONFORMANCE (A) WITHIN 30 DAYS OF THE TIME WHEN THE DEFECT WAS OR SHOULD HAVE BEEN DISCOVERED, BUT (B) NOT LATER THAN SIXTY DAYS AFTER THE RECEIPT OF THE GOODS IN ANY EVENT, OR PURCHASER WAIVES ANY WARRANTY CLAIM OR OTHER CLAIM WITH RESPECT TO THE GOODS.

SELLER'S ENTIRE LIABILITY (AND PURCHASER'S ENTIRE REMEDY) ON ANY CLAIM ARISING OUT OF THE SALE OF THE GOODS OR ITS REPLACEMENT OF DEFECTIVE GOODS, WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY) OR OTHERWISE, SHALL BE LIMITED TO THE PURCHASE PRICE OF THE GOODS THAT ARE PROVEN DEFECTIVE AND COSTS OF TRANSPORT. THIS WARRANTY DOES NOT EXTEND TO, AND IS VOIDED BY, GOODS DAMAGED OR FAILED BECAUSE OF, OR BY USE WITH, MATERIALS OR SUPPLIES OR METHODS NOT APPROVED BY SELLER OR OTHER APPLICABLE INSTALLATION STANDARDS OR CODES; OR BECAUSE OF MISUSE; ABUSE; ACCIDENT DAMAGE IN TRANSIT; IMPROPER HANDLING OR INSTALLATION NOT IN ACCORDANCE WITH RECOMMENDED PRACTICES OR CODES; OR RESULTING CONSEQUENCES. MOLD, WELD OR FUSION LINES ARE NOT DEFECTS OR NON-CONFORMITIES.

PURCHASER AGREES THAT NEITHER SELLER NOR SELLER'S OFFICERS, DIRECTORS,

MANAGERS, EMPLOYEES, AGENTS, DISTRIBUTORS OR REPRESENTATIVES SHALL UNDER ANY CIRCUMSTANCES BE LIABLE (A) FOR ANY OTHER DAMAGES, DIRECT, INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL, WHETHER RESULTING FROM SELLER'S NEGLIGENCE OR OTHERWISE, RESULTING FROM OR IN CONNECTION WITH THE GOODS SOLD TO PURCHASER, NOR (B) FOR ANY CLAIMS, ACTIONS, SUITS AND PROCEEDINGS WHICH MAY BE INSTITUTED IN RESPECT TO THE FOREGOING, INCLUDING CLAIMS, ACTIONS, SUITS AND PROCEEDINGS MADE BY SUBSEQUENT OWNERS AND USERS OF THE GOODS, NOR FOR STRICT LIABILITY OR OTHER TORT, NOR (C) FOR LOST REVENUES OR EARNINGS, LOST PROFITS, LOST OPPORTUNITIES, COSTS OR DELAYS, LOST GOOD WILL OR REPUTATION, OR PUNITIVE OR EXEMPLARY DAMAGES. IF IT IS FOUND THAT THIS REMEDY FAILS OF ITS ESSENTIAL PURPOSE, SELLER'S LIABILITY SHALL NONETHELESS BE LIMITED TO A REFUND OF THE PURCHASE PRICE PAID, AND TRANSPORTATION COSTS. THE EXCLUSION OF CONSEQUENTIAL DAMAGES SHALL BE DEEMED INDEPENDENT OF, AND SHALL SURVIVE ANY FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

SELLER SHALL HAVE THE RIGHT TO MODIFY AT ANY TIME THE DESIGN OF PRODUCTS OR MATERIALS USED THEREIN WITHOUT ANY LIABILITY, EXCEPT TO THE EXTENT THAT ANY SUCH MODIFICATION WOULD BE A BREACH OF ANY SPECIFICATIONS OR DESIGN REQUIREMENTS THAT HAVE BEEN AGREED UPON IN WRITING BETWEEN SELLER AND PURCHASER.

SELLER RESERVES THE RIGHT TO DISCONTINUE THE MANUFACTURE AND SELLING OF ANY PRODUCT AT ANY TIME, EXCEPT TO THE EXTENT THAT DECISION WOULD BREACH ANY WRITTEN AGREEMENT BETWEEN SELLER AND PURCHASER FOR SELLER TO SUPPLY PURCHASER WITH A FIXED QUANTITY OR VOLUME OF THAT PRODUCT, AND SELLER HAS NOT YET SATISFIED THAT QUANTITY OR VOLUME.

EXCLUSIONS OF WARRANTY AND LIMITATION OF LIABILITY AND REMEDIES. SELLER MAKES NO WARRANTY OTHER THAN THE LIMITED WARRANTY GIVEN ABOVE, WHICH IS THE SOLE AND EXCLUSIVE WARRANTY GIVEN BY SELLER. THIS LIMITED WARRANTY AND REMEDY IS EXPRESSLY IN LIEU OF ANY AND ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY STATUTORY WARRANTIES, AND EXCLUDES ANY IMPLIED WARRANTY OF

MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. PURCHASER'S PURCHASE OF THE GOODS IS IRREVOCABLE PURCHASER HAS DECIDED THAT THE STANDARD OF THE GOODS IS FIT FOR PURCHASER'S PURPOSE.

PURCHASER IS SOLELY RESPONSIBLE FOR DETERMINING THE SUITABILITY FOR USE OR APPLICATION OF ANY GOODS, INCLUDING COMPONENTS THEREOF, OR WHETHER SUCH GOODS MEET REQUIREMENTS OF APPLICABLE BUILDING CODES OR SAFETY CODES FOR SPECIFIC APPLICATIONS.

THE WARRANTIES OF SELLER ARE NOT TRANSFERRABLE TO ANY SUBSEQUENT OWNER OF THE GOODS. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES SO THAT THE ABOVE MAY NOT APPLY TO YOU.

CONDITIONS OF RESALE/SUBSEQUENT PURCHASERS. These Terms and Conditions shall be binding upon all subsequent owners and users of the goods. Goods are sold subject to the condition that they shall not be resold or otherwise conveyed without similar conditions, including that these conditions be imposed on the subsequent purchaser/ user or transferee.

CREDIT INQUIRIES. Purchaser authorize Seller to make inquiries and to receive information about Purchaser's credit experience from others, to enter this information in Purchaser's file.

POWER OF ATTORNEY. Purchaser hereby irrevocably authorizes and empowers any attorney of any court of record to appear for and confess judgement and therein against the Purchaser, or any of

them, for the amount for which the Purchaser may be or become liable to Seller under these Terms and Conditions as evidenced by an affidavit signed by a representative of the Seller setting forth the amount then due, plus 15% thereof, but no less than \$500.00, as an attorney's commission, with costs of suit, release of errors, and without right of appeal. If a copy hereof, verified by an affidavit, shall have been filed in said proceeding, it shall not be necessary to file the original as a warrant of attorney. Purchaser waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect. No single exercise of the forgoing warrant and power to confess judgement shall be deemed to exhaust the power, whether or not any such exercise shall be held by any court to be invalid, voidable, or void, but the power shall continue undiminished and may be exercised from time to time as often as Seller shall elect, until all sums payable or that may become payable by Purchaser have been paid in full.

NO ASSIGNMENT. These terms and conditions are not assignable by Purchaser but shall be binding upon and inure to the benefit of the parties hereto and their respective successors.

HEADINGS. The section headings used herein are for convenience of reference only and do not form a part of these terms and conditions, and no construction or inference shall be derived therefrom.

FORCE MAJEURE. Seller shall not be responsible for any loss or damage of any kind or nature whatsoever, direct or indirect, suffered by Purchaser, subsequent purchasers, ultimate users of goods, or any other person, as a result of any factors beyond its control, including (without limitation) Purchaser's acts or omissions, labor shortages, strikes, lock-outs, work slowdowns, accidents, fire, floods, earthquakes, severe weather, serious accidents, epidemics, quarantines, wars, breakdowns, delays in manufacture, transportation or delivery of goods or materials purchased by Seller, unavailability, inadequacy or shortages of material or services, acts of God, embargoes, wars, insurrections or riots, terrorism, acts of civil or military authorities, civil commotion, or governmental or regulatory or licensing action or changes, or any other circumstances beyond Seller's reasonable control.

SEVERABILITY. Invalidity of part of any of these Terms and Conditions shall not invalidate the remainder and the Purchaser and Seller agree to amend these Terms and Conditions to substitute for the provision at issue a valid, legal and enforceable provision as similar as possible to the provision at issue and to otherwise give effect to the provision at issue as much as possible.

LANGUAGE. 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 Purchaser or Seller are located in Canada. "A la demande des parties aux présentes, cette convention a été préparée dans la langue anglaise".

CHOICE OF LAW AND BINDING ARBITRATION. This agreement and all Terms and Conditions shall be construed and governed by the laws of the State (if Seller is located in the United States of America) or Province (if Seller is located in Canada) in which Seller's head office is located. The United Nations Convention on Contracts for the International Sale of Goods does not apply. Except as provided under the **NON-PAYMENT / ENFORCEMENT** and **POWER OF ATTORNEY** sections herein, any claim, dispute or controversy (whether in contract or tort, pursuant to statute or regulation, or otherwise and whether pre-existing, present or future) arising out of or relating to: these terms and conditions; a good or service; oral or written statements, or advertisements or promotions relating to these terms and conditions or to a good or service; or the relationships which result from these terms and conditions (including relationships with third parties who are not signatories to this agreement) (each, a "Claim"), will be referred to and determined by binding arbitration (to the exclusion of the courts). By so agreeing, you waive any right you may have to commence or participate in any class action against us related to any Claim and, where

applicable, you hereby agree to opt out of any class proceeding against us otherwise commenced. By so agreeing, you further expressly waive any right to a jury trial regarding disputes related to this agreement or to any Claim. Arbitration shall occur in the city in which Seller's head office is located by one arbitrator under the rules of the American Arbitration Association; and judgment may be rendered upon the award made by a court of the city in which Seller's head office is located, or a court of competent jurisdiction.

ALERT LINE: Axiall Corporation maintains a toll free number where legal and ethical concerns may be reported confidentially. That number is 1-877-692-5929.

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