

AXALTA COATING SYSTEMS LIMITED WARRANTY AGREEMENT

This Axalta Coating Systems Limited Warranty Agreement (the "**Warranty Agreement**") is made effective as of _____, 2016, by and between _____ located at _____ ("**Body Shop**") and Axalta Coating Systems, LLC, located at 50 Applied Card Way, Glen Mills, PA 19342 ("**Axalta**") and is acknowledged by _____ located at _____ ("**Axalta Supplying Distributor**"). This Warranty Agreement is entered into pursuant to that certain Master Incentive Program Agreement, dated as of _____, 2015, between Body Shop and Axalta (the "**Master Agreement**"). The terms and conditions of the Master Agreement are incorporated by reference into this Warranty Agreement and made a part hereof.

I. CONDITIONS

A. Subject to Body Shop's compliance with the terms of this Warranty Agreement, the Master Agreement and each other agreement executed pursuant thereto (the Master Agreement, together with such documents, collectively, the "**Incentive Documents**"), Axalta agrees to provide Body Shop with the Product Warranty (defined below) described herein. To qualify for the Product Warranty, in addition to the other requirements set forth herein, the Body Shop agrees to: (1) maintain a reputation for performing quality repairs; (2) use only the coatings systems set forth in Appendix 1 or Appendix 2 (the "**Products**"); (3) use only the application processes and systems provided to Body Shop by Axalta from time to time (the "**Application Process**") and approved by Axalta at the time of the initial application on any vehicle of the Products covered by the Product Warranty; (4) have at least one painter per Body Shop location that has completed and remains current on each training course and certification as communicated by Axalta to Body Shop from time to time; (5) maintain detailed and accurate books, records and other documentation necessary for Axalta to verify and administer the Product Warranty, including without limitation, a copy of the applicable repair order and final invoice provided to Body Shop's customer describing the initial application of the Products for which a warranty claim is being made (collectively, the "**Warranty Records**"); (6) provide a safe environment for all employees and customers by following all applicable laws, rules, regulations and industry best practices; (7) properly maintain all spray booth filtration and respiratory equipment in good, clean and working condition; and (8) maintain a clean, neat customer reception area. Body Shop hereby acknowledges receipt of the Application Process in effect at the time of the execution of this Warranty Agreement.

B. Axalta Supplying Distributor acknowledges its obligations pursuant to its agreements with Axalta, to administer the Product Warranty, including: (1) continually monitoring and periodically auditing Body Shop to assure compliance with this Warranty Agreement and the Product Warranty procedures and standards set forth herein; (2) updating Body Shop on any Axalta product or system changes and upgrades; (3) notifying Axalta of any misuse or improper implementation of the Products or the Product Warranty; and (4) participating in and managing the Product Warranty claims process as outlined in Article VI.

II. WARRANTY PERIOD

The Product Warranty remains in effect for the period specified on the Warranty Records or as long as the Vehicle Owner as recorded on the Warranty Records owns the warranted vehicle, whichever is the shorter period of time (the "**Warranty Period**").

III. PRODUCT WARRANTY

Axalta warrants to Body Shop that the areas of any commercial passenger, recreational or emergency vehicles (which vehicle must still have its original factory finish or, if previously refinished, have been stripped to bare metal prior to the Products being applied) finished with the Products applied by Body Shop in strict accordance with the Application Process will be free throughout the Warranty Period from the following paint failures:

- A. Cracking or checking;
- B. Severe loss of gloss caused by cracking or fading; and
- C. Peeling of the topcoat or any of the layers of film included in the refinishing process (collectively, the "**Product Warranty**").

IV. EXCLUSIONS

The following conditions are expressly *EXCLUDED* from the Product Warranty, and Axalta shall have no responsibility or liability for any of the following (collectively, the "**Exclusions**"):

- A. Previously repainted or repaired OEM finishes, unless the vehicle was stripped to bare metal prior to painting with the Products.
- B. System failure due to pre-existing rust or rust originating from the vehicle. This includes blemishes or blistering caused by rust.
- C. Scratches, abrasions or stone chips caused by normal vehicle use.

- D. Damage caused by accidents.
- E. Damage to the paint film caused by improper care, abrasive detergents or waxes, acid rain, industrial emissions or fallout, or heavy-duty pressure washing.
- F. Damage to vehicles primarily used for competitive purposes.
- G. Failures resulting from Product misuse or abuse, including improper storage.
- H. Failures of systems or components containing non-Axalta or non-Axalta-approved products.
- I. Improper preparation or application of the Products.
- J. Failure of finishes/systems which have been applied above or below Axalta's recommended film builds.
- K. Failure of Products which have not been applied to commercial passenger, recreational or emergency vehicles.

V. AXALTA LIMITED WARRANTY NOT TRANSFERABLE

The Product Warranty runs only to the Body Shop and is not transferable by the Body Shop. Body Shop acknowledges and agrees that if Body Shop chooses to make any representation or warranty to any of its customers regarding the Products, such representations and warranties shall not impact or expand the Product Warranty or Axalta's obligations to Body Shop hereunder. The Product Warranty will apply only to the Products used to perform the repairs at the Body Shop location listed above.

VI. CLAIM REIMBURSEMENT

- A. When the Body Shop brings a claim under this Warranty Agreement,
 - 1. Body Shop shall notify Axalta promptly in writing, within the Warranty Period, upon Body Shop's discovery of such failure.
 - 2. An inspection must be carried out by an Axalta authorized representative to determine whether the failure is covered by the Product Warranty. If Axalta determines in its sole discretion that the claim is covered under the Product Warranty, the Body Shop shall schedule and perform the necessary repairs and will be reimbursed as set forth in Article VI, Section B below.
 - 3. If Axalta determines at the time of inspection in its sole discretion that the claim is not covered under the Product Warranty, or if Body Shop fails to provide notice within the Warranty Period, then Axalta shall not be responsible or liable for the costs associated with the vehicle repair and the paint failure shall be the sole responsibility of Body Shop.
 - 4. In order to be reimbursed pursuant to Article VI, Section B, the Body Shop must retain, and provide to Axalta, the Warranty Records.

B. In the event Axalta determines that a claim is justified, Axalta will reimburse verified claims, subject to any reductions based on the Exclusions, by issuing a credit through the Axalta Supplying Distributor to the Body Shop. Axalta shall reimburse 100% of the cost of the Products necessary to remedy the paint failure and shall provide a reasonable allowance for direct labor costs to perform such warranty repairs, which labor allowance shall be determined by Axalta in its sole discretion. Subject to the prior sentence, reimbursement for Products and labor will be supported by receipts and will be based on the following:

- 1. The current verifiable hourly labor rate at the Body Shop at the time the Product Warranty claim is approved by Axalta.
- 2. An industry recognized estimating system shall be used by Axalta when determining the proper repair time for reimbursement.
- 3. Credits for Products issued to the Body Shop will be based on the price actually paid by Body Shop for the replacement Products.

VII. AXALTA TRADEMARK AND LOGO

Except as specifically set forth herein, nothing in this Warranty Agreement shall be construed to grant Body Shop, the Axalta Supplying Distributor or any third party any rights or license to any Axalta patent, trademark, trade name or certification mark.

VIII. TERMINATION

This Warranty Agreement may be terminated by Axalta, with or without cause, upon thirty (30) days written notice. All valid Product Warranty claims arising from Products purchased and applied prior to termination shall remain in effect; provided, however, in the event where (a) the Master Agreement expires or terminates for any reason or (b) Body Shop ceases to be an approved Axalta body shop, this Warranty Agreement shall terminate immediately and the rights and obligations of each of the parties hereto shall immediately terminate, except for any rights and obligations of each of the parties hereto that are expressly designated to survive the termination of this Warranty Agreement.

IX. DISCLAIMER OF WARRANTIES AND LIMITATION OF LIABILITY

THIS WARRANTY AGREEMENT SETS FORTH THE ENTIRE PRODUCT WARRANTY MADE BY AXALTA. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN AND IN THE MASTER AGREEMENT, AXALTA MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO ANY OF THE PRODUCTS, SERVICES, EQUIPMENT OR GOODS PROVIDED BY IT, INCLUDING, WITHOUT LIMITATION, THAT THE SERVICES, DATA, SUPPORT AND RECOMMENDATIONS GIVEN TO BODY SHOP WILL INCREASE SHOP PRODUCTIVITY, FINANCIAL PERFORMANCE, EFFICIENCY, OR PROFITABILITY OF BODY SHOP OR ANY OF THE LOCATIONS, AND/OR ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. BODY SHOP AGREES THAT, WITH RESPECT TO ANY PRODUCTS NOT PURCHASED FROM AXALTA, IT HAS NOT RECEIVED ANY REPRESENTATIONS OR WARRANTIES FROM AXALTA. IN NO EVENT SHALL ANY PRODUCT REPRESENTATIONS OR WARRANTIES RECEIVED BY BODY SHOP FROM THE AXALTA SUPPLYING DISTRIBUTOR OR ANY OTHER THIRD PARTY CREATE ANY MORE EXTENSIVE WARRANTY OBLIGATIONS FROM AXALTA TO BODY SHOP THAN THE PRODUCT WARRANTIES THAT AXALTA HAS GIVEN DIRECTLY TO THE AXALTA SUPPLYING DISTRIBUTOR AND/OR BODY SHOP. NOTWITHSTANDING ANY OTHER PROVISION OF THE WARRANTY AGREEMENT OR ANY INCENTIVE DOCUMENT TO THE CONTRARY, IN NO EVENT SHALL AXALTA BE LIABLE TO BODY SHOP (I) FOR ANY PUNITIVE, EXEMPLARY OR OTHER SPECIAL DAMAGES ARISING UNDER OR RELATING TO THE WARRANTY OR THE SUBJECT MATTER HEREOF OR (II) FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF USE, INCOME, PROFITS OR ANTICIPATED PROFITS, BUSINESS OR BUSINESS OPPORTUNITY, SAVINGS OR BUSINESS REPUTATION) ARISING UNDER OR RELATING TO THE WARRANTY AGREEMENT OR ANY INCENTIVE DOCUMENT OR THE SUBJECT MATTER HEREOF OR THEREOF, REGARDLESS OF WHETHER SUCH DAMAGES ARE BASED IN CONTRACT, BREACH OF WARRANTY, TORT, NEGLIGENCE OR ANY OTHER THEORY, REGARDLESS OF WHETHER SUCH PARTY HAS BEEN ADVISED OF, KNEW OF, OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES. THE REMEDIES SET FORTH HEREIN SHALL BE THE SOLE AND EXCLUSIVE REMEDY FOR ANY BREACH OF THIS PRODUCT WARRANTY. IN NO EVENT SHALL AXALTA'S AGGREGATE LIABILITY TO BODY SHOP FOR EACH CLAIM ARISING OUT OF OR RELATING TO THIS WARRANTY AGREEMENT OR THE SUBJECT MATTER HEREOF, REGARDLESS OF WHETHER SUCH CLAIMS ARE BASED IN CONTRACT, BREACH OF WARRANTY, TORT, NEGLIGENCE OR ANY OTHER THEORY, EXCEED 150% OF THE AMOUNT SET FORTH ON THE ORIGINAL REPAIR ORDER FOR WHICH THE DAMAGES ARE CLAIMED. THIS SECTION SHALL SURVIVE ANY TERMINATION OR EXPIRATION OF THIS WARRANTY AGREEMENT FOR ANY REASON.

X. MISCELLANEOUS

This Warranty Agreement shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Pennsylvania without regard to its conflict of laws rules that would require the application of the laws of any other jurisdiction. Each party consents and submits to the exclusive jurisdiction of, and service of process by, the United States District Court for the Eastern District of Pennsylvania and the state courts of Pennsylvania. Each party further agrees to accept service of summons, complaint or other initial pleading in any manner provided for the giving of notices in the Master Agreement, provided that nothing in this Section X shall affect the right of any party to serve such summons, complaint or other initial pleading in any other manner permitted by law. Termination or expiration of this Warranty Agreement or the Incentive Documents does not release a party from obligations that, either expressly or by their nature, survive the termination or expiration hereof or thereof. Body Shop's relationship with Axalta is that of an independent contractor. If any part of this Warranty Agreement is found to be invalid or unenforceable for any reason, the rest of this Warranty Agreement will remain valid and enforceable. Axalta's rights and remedies in this Warranty Agreement and the Incentive Documents are cumulative and not exclusive of any other right or remedy that might be available at law or in equity. If either party fails to require the other party to perform any term of the Warranty Agreement or any Incentive Document, such failure will not prevent the party from enforcing such term later. If either party waives the other party's breach of any term of the Warranty Agreement, such waiver will not be deemed a waiver of a later breach of such term. This Warranty Agreement does not and is not intended to confer any rights or remedies upon any person other than the parties. Amendments to the Warranty Agreement shall be in writing and signed by both parties. This Warranty Agreement, together with the Incentive Documents and any attachments hereto and thereto, and any confidentiality or nondisclosure agreements pertaining to the subject matter hereof or thereof, sets forth the entire understanding between the parties and supersedes any previous or contemporaneous understandings, commitments, representations, warranties or agreements, written or oral, regarding the subject matter hereof. No course of dealing, usage of trade or course of performance shall be used to supplement or explain any term, condition or any Incentive Document. Except as otherwise provided herein, if there is a conflict between or among the provisions of this Warranty Agreement and any Incentive Document, the provisions of this Warranty Agreement shall control. This Warranty Agreement may be executed in counterparts with the same force and effect as if executed in a complete document. Facsimile or electronically transmitted signatures shall have the same force and effect as original signatures.

[Signature Page Follows]

Signatures:

BODY SHOP

_____ Date: _____
Name:

AXALTA

_____ Date: _____
Name:

Acknowledged and agreed by:

AXALTA SUPPLYING DISTRIBUTOR

_____ Date: _____
Name:

APPENDIX 1 – Approved Axalta Coating Systems, Commercial Transportation National Rule Products

NATIONAL RULE COMMERCIAL WARRANTY SYSTEMS

WARRANTY PERIOD	PRE-TREATMENT 780 gr/lb (6.5 lb/gal) max	PRIMER 580 gr/lb (4.8 lb/gal) max	PRIMER SURFACER 580 gr/lb (4.8 lb/gal) max	PRIMER SEALERS 550 gr/lb (4.5 lb/gal) max	TOPCOATS 600 gr/lb (5.0 lb/gal) max BASECOATS 630 gr/lb (5.2 lb/gal) max	CLEARCOATS *Basecoat dependent 600 gr/lb (4.8 lb/gal) system max	Prorated Labor Coverage in Years				
							100%	75%	50%	25%	10%
Premium 10-Year Limited Warranty	2355 2505	921S 934S 821CR	1220S 1380S 1480S	921S 934S 1380S 821CR	UPRO® Elite Basecoat (EB) Express Basecoat (EG) Productive Basecoat (EW) Productive Basecoat (EY/EYBR))	8840S EZ-3460S 8460S 8890S	1-6	7	8	9	-
Standard 7-Year Limited Warranty	2355 2505	921S 934S 821CR	1220S 1380S 1480S	921S 934S 1380S 821CR	UPRO® Elite Topcoat (EA) Express Topcoat (EF) Productive Topcoat (EX) UPRO® 6600 CT Basecoat (CT)	not required	1-4	-	5	6	-
Standard 6-Year Limited Warranty	2355 2505	921S 934S 821CR	1220S 1380S 1480S	921S 934S 1380S 821CR	Excel Pro™ Basecoat (EK)	3430S	1-3	4	5	6	-
Standard 4-Year Limited Warranty	2355 2505	921S 934S 821CR 185XS 824S 825S	1220S 1380S 1480S	921S 934S 1380S 821CR 185XS	Excel Pro Topcoat (EZ)	not required	1	2	3	4	-
Economical 3-Year	2355 2505	921S 934S 821CR 185XS 824S 825S	1220S 1380S 1480S RV400	921S 934S 1380S 185XS RV400 RV450	Rival™ Topcoat (RV35) Rival Topcoat (RV28)	with RV500 clearcoat without clearcoat	1	-	2	3	-
2-Year Limited Warranty							-	-	1	2	-

Paint and materials are covered 100% for the life of the warranty. Labor is prorated. Note:
 UPRO® 2305, 2505 and 2505 must be primed or sealed.
 Note: Pre-coat/pre-treatment is mandatory for aluminum substrates.

Warranties are only valid if offered by a shop that has executed an approved
 Warranty Agreement with Axalta and employs a professional, trained painter.



APPENDIX 2 – Approved Axalta Coating Systems, Commercial Transportation Products for Regulated Markets

REGULATED MARKETS COMMERCIAL WARRANTY SYSTEMS

WARRANTY PERIOD	PRE-TREATMENT 660 gr/lb (5.5 lb/gal) max	PRIMER 250 gr/lb (2.1 lb/gal) max	PRIMER SURFACER 250 gr/lb (2.1 lb/gal) max	PRIMER SEALERS 250 gr/lb (2.1 lb/gal) max	TOPCOATS 340 gr/lb (2.8 lb/gal) max BASECOATS 420 gr/lb (3.5 lb/gal) max	CLEARCOATS *Basecoat dependent 250 gr/lb (2.1 lb/gal) max	Prorated Labor Coverage in Years				
							100%	75%	50%	25%	10%
Premium 10-Year Limited Warranty	235S*	921S	1380S 1480S	921S 1380S	UPV000 Elite Basecoat (EB) Express Basecoat (EG) Productive Basecoat (EW) Productive Basecoat (EY/EYBR)	8831S	1-6	7	8	9	-
Standard 7-Year Limited Warranty	235S*	921S	1380S 1480S	921S 1380S	UPV000 Elite Productive Topcoat (EX) UPV000.6600 CT Basecoat (CT)	not required	1-4	-	5	6	-
						8831S	1-4	5	6	-	-
Standard 6-Year Limited Warranty	235S*	921S	1380S 1480S	921S 1380S	Excel Pro™ Basecoat (EK)	3420S	1-3	4	5	6	-
Standard 4-Year Limited Warranty	235S*	921S	1380S 1480S	921S 1380S	Excel Pro Topcoat (EZ)	not required	1	2	3	4	-
Economic 3-Year 2-Year Limited Warranty	235S*	921S	1380S 1480S RV400	921S 1380S RV400	Rival™ Topcoat (RV2B)	with RV500 clearcoat	1	-	2	3	-
						without clearcoat	-	-	1	2	-

Paint and materials are covered 100% for the life of the warranty. Labor is prorated.
 * Products may be restricted or require special mixing instructions in your area. Follow
 recommendations in the Complete Products Chart for your area.
 Note: UPV000.230S, 235S and 230S must be primed or sealed. Note: Pre-
 coat/pre-treatment is mandatory for aluminum substrates.

Warranties are only valid if offered by a shop that has executed an approved
 Warranty Agreement with Axalta and employs a professional, trained painter.

