

## SHERWIN-WILLIAMS LIMITED LIFETIME GUARANTY CONTRACT

This Limited Lifetime Guaranty Contract ("Contract"), dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, is by and between \_\_\_\_\_ with its principal place of business located at \_\_\_\_\_ ("Collision Repair Facility") and

SHERWIN-WILLIAMS AUTOMOTIVE FINISHES CORP., 4440 Warrensville Center Road, Warrensville Hts., Ohio 44128 ("Company").

WHEREAS, subject to the terms and conditions set forth herein, Company desires to guarantee to the Collision Repair Facility various paint systems as more fully described herein ("Guaranty Program"); and

WHEREAS, the Collision Repair Facility desires to participate in and administer such Guaranty Program; NOW, THEREFORE, in consideration of the promises, covenants, representations and mutual agreements hereinafter set forth, the parties hereto covenant and agree as follows.

## ARTICLE I: DEFINITIONS

The following terms when used in this Contract shall have the meanings set forth below (such meanings to be equally applicable to both singular and plural forms of the terms defined).

**Section 1.0 "Covered Defect"**  
Shall include only the following list of defects:  
(a) peeling,  
(b) cracking,  
(c) crazing,  
(d) extensive loss of gloss,  
(e) color fading and/or chalking, and  
(f) moisture blistering.

Covered Defect does not include any other type of defect including but not limited to:  
(i) rust failures,  
(ii) abrasions, scratches or chips,  
(iii) chemical spotting,  
(iv) any repair work performed over a previously repaired substrate;  
(v) claims made without proper documentation,  
(vi) original equipment finish failure;  
(vii) use of improper detergents and/or failures caused by environmental pollution;  
(viii) any defect that occurs as a result of the vehicle's involvement in an accident;  
(ix) any defect on any vehicle that is used for commercial purposes, and  
(x) any defect caused by improper maintenance or care or caused by the use of abrasive cleaning products.

**Section 1.1 "Paint System(s)"**  
Shall include only those paint systems of Company set forth below that have been initiated by an authorized representative of Company.

ULTRA 7000® Base Coat/Clear Coat System \_\_\_\_\_

ULTRA ONE HPU™ Single Stage System \_\_\_\_\_

AWX™ Waterborne Base Coat/Clear Coat System \_\_\_\_\_

**Section 1.2 "Qualified Collision Repair Facility"**  
Shall mean an automotive body shop/collision repair facility that:  
(a) has passed, to the satisfaction of Company, the audit provided for in Section 2.0 of this Contract,  
(b) has all work relating to this Contract performed by Qualified Paint Technicians,  
(c) completes, retains, and properly distributes all copies of Vehicle Repair Reports for all work relating to this Contract,  
(d) provides National Institute for Occupational Safety and Health (NIOSH)/Occupational Safety and Health Act (OSHA) approved safety equipment for all Qualified Paint Technicians in accordance with all applicable federal, state, and/or local laws,  
(e) performs all work relating to this Contract in a pre-manufactured spray booth,  
(f) performs monthly inspections of the spray booth to ensure that:  
(i) the booth walls, floor, ceiling and exhaust chambers are clean and free of over spray and dust;  
(ii) the booth exhaust and intake filters are changed on a regular basis; and  
(iii) all seams and crevices are caulked,  
(g) uses regularly maintained in-line oil and water extractors and in-line air regulators for each paint and primer gun,  
(h) ensures that all equipment is kept clean and well maintained,  
(i) follows product and application recommendations and uses only Company's Paint Systems on work related to this Contract; and  
(j) maintains a clean shop environment at all times in the preparation and mixing areas.

**Section 1.3 "Qualified Paint Technician"**  
Shall mean an individual who:  
(a) has a minimum of one (1) year experience in automotive refinishing through automotive body shop and/or vocational school experience;  
(b) attends a class at a training facility of Company's that focuses on the Contract, all of the applicable Paint Systems, application techniques, and equipment;  
(c) has received a certificate from Company demonstrating successful completion of Company-sponsored class, and  
(d) receives an updated certificate from Company every two (2) years that demonstrates successful completion of applicable training relating to the Paint Systems at Company's training facility.

**Section 1.4 "Repair Date"**  
Shall mean the date the Qualified Collision Repair Facility completes the original application of a Paint System on a vehicle.

**Section 1.5 "Vehicle Owner"**  
Shall mean the individual who owns the vehicle on the Repair Date, as indicated on the Vehicle Repair Report.

**Section 1.6 "Vehicle Repair Report"**  
Shall mean the document that the Collision Repair Facility must use to maintain the relevant repair information required to file warranty claims. This information shall include the name and location of the Collision Repair Facility, date of original repair, name of the Vehicle Owner, vehicle type, vehicle identification number, the serial number located on the work order, the areas originally repaired and the Paint System used on the original repair.

## ARTICLE II: GUARANTY PROGRAM

**Section 2.0 Audit**  
The Collision Repair Facility agrees to submit to a Guaranty Program equipment and shop conditions audit prior to the performance of Company's obligations under this Contract and on an annual basis thereafter.

**Section 2.1 Promotion and Support Materials**  
Company shall provide the following literature and promotional support materials to the Collision Repair Facility upon Guaranty Program acceptance:

- (a) the necessary supply of Vehicle Repair Reports,  
(b) product data pages pertinent to the applicable Paint Systems, and  
(c) a merchandising support package.

**Section 2.2 Use of Trademarks**  
As part of this Guaranty Program, the Collision Repair Facility shall be entitled to use the trademarks Ultra Limited Lifetime™ Guaranty and AWX Limited Lifetime™ Guaranty for the purposes of promoting the Collision Repair Facility's services to its customers, provided, however, Company has the right to approve in advance any and all uses of such trademarks. Furthermore, the Collision Repair Facility shall have no right to use such trademarks on or in connection with any products or services that are not associated with Company and the Collision Repair Facility recognizes and agrees that the trademarks are the property of Company and all uses inure to Company's benefit.

## ARTICLE III: GUARANTY

**Section 3.0 Term of Guaranty**  
(a) Subject to the terms and conditions of this Contract, Company agrees to guarantee the Paint Systems against Covered Defects in accordance with Section 3.0(b) when such Paint Systems are used in conjunction with the applicable undercoat system that is specified on Exhibit 1 ("Guaranty"). The period of the Guaranty shall be as follows:  
(i) For Company's ULTRA 7000® base coat/clear coat system, the Guaranty shall be a Limited LIFETIME Guaranty commencing on the Repair Date.  
(ii) For Company's ULTRA ONE HPU™ single stage system, the Guaranty shall be a Limited LIFETIME Guaranty commencing on the Repair Date.  
(iii) For Company's AWX™ waterborne base coat/clear coat system, the Guaranty shall be a Limited LIFETIME Guaranty commencing on the Repair Date.

For purposes of this Contract, LIFETIME shall mean the period of time commencing on the Repair Date and continuing as long as the Vehicle Owner owns the vehicle. If the Vehicle Owner sells, trades and/or transfers the vehicle to another person or entity, Company's Guaranty to the Collision Repair Facility set forth in this Contract shall terminate and Company shall have no obligation relating thereto.

- (b) If the defect is authorized as a Covered Defect, for which Company assumes responsibility pursuant to the terms of this Contract, and such Covered Defect occurs:  
(i) within five years from the Repair Date, Company will issue a merchandise credit to the Collision Repair Facility equal to one hundred percent (100%) of the material cost and the labor cost necessary to repair the Covered Defect based upon the hourly rate in effect at the time that the repair of the Covered Defect occurs multiplied by the hours needed to make such a repair as listed in the Mitchell Manual, or  
(ii) after the five (5) years anniversary of the Repair Date, Company will issue a merchandise credit to the Collision Repair Facility equal to fifty percent (50%) of the material cost and fifty percent (50%) of the labor cost necessary to repair the Covered Defect based upon the hourly rate in

effect at the time that the repair of the Covered Defect occurs multiplied by the hours needed to make such a repair as listed in the Mitchell Manual.

- (c) The duration of this Guaranty shall not be extended by the repair of any Covered Defect pursuant to this Contract. Any replacement materials furnished by Company pursuant to this Contract shall be covered by this Contract for the remaining term of the original Guaranty provided that the Collision Repair Facility performs the repair of the Covered Defect in accordance with the terms and conditions of this Contract.

## Section 3.1 Conditions of Guaranty

- The Guaranty, as provided in Section 3.0, shall be subject to the following conditions:  
(a) at the time the Collision Repair Facility performs the work to be guaranteed, the Collision Repair Facility must meet all of the requirements for a Qualified Collision Repair Facility as defined in Section 1.2;  
(b) Company's Paint System must be used in conjunction with the applicable undercoat system that is specified on Exhibit 1;  
(c) the mixing and application of the Paint System (and the applicable undercoat system that is specified on Exhibit 1) must be performed by a Qualified Paint Technician strictly in accordance with Company's specifications as indicated on the product label, literature directions, training instructions, and other documentation provided by Company relating to the Paint System (and the applicable undercoat system that is specified on Exhibit 1). Company's Paint System (and the applicable undercoat system that is specified on Exhibit 1) must be used exclusively with respect to the guaranteed work;  
(d) the Collision Repair Facility must retain a completed Vehicle Repair Report for the duration of the period of the Guaranty;  
(e) the proper claim procedure, as outlined in Section 4.0(a) of this Contract, must be followed with respect to any and all defect claims;  
(f) the Collision Repair Facility must repair all Covered Defects that result from improper preparation of the substrate or improper application of the Paint System by the Collision Repair Facility, and/or negligent or faulty workmanship by the Collision Repair Facility, at no cost to the Vehicle Owner; and  
(g) the Guaranty shall not be applicable to any Paint System applied to a vehicle using Company's Extreme Speed Process™ unless the Qualified Paint Technician applying such Paint System has successfully completed Company's training program relating to the use of Company's Extreme Speed Process™ prior to the time the Qualified Paint Technician applies such Paint System.

## Section 3.2 Scope of Guaranty

- The Guaranty, as provided in Section 3.0, shall:  
(a) apply only to those areas and/or surfaces painted directly with Company's Paint System;  
(b) apply only to those prominent or obvious Covered Defects that occur after the time the original repair work was completed by the Collision Repair Facility;  
(c) not apply to any Covered Defect that is directly the result of any negligence by the Collision Repair Facility, its employees, agents or guests, including but not limited to improper preparation of the substrate or improper application of the Paint System by the Collision Repair Facility;  
(d) not apply to any Covered Defect that is directly the result of any negligence by any customer of the Collision Repair Facility; and  
(e) not be transferable.

## ARTICLE IV: CLAIMS

## Section 4.0 Claim Procedure

- (a) Within twenty-four (24) hours after Collision Repair Facility is notified of any defect that the Collision Repair Facility believes may be covered hereunder, the Collision Repair Facility shall notify Company of the claim and shall provide Company with a copy of the Vehicle Repair Report.  
(b) Company's sales representative, branch manager, and/or agent will promptly inspect the defect and will make a determination, under the terms and conditions of this Contract, as to:  
(i) whether the defect is a Covered Defect; and  
(ii) whether Company is financially responsible for the corrective repair work pursuant to this Contract.

## ARTICLE V: MISCELLANEOUS

## Section 5.0 Assignability

Neither party may assign its rights, interests, obligations or liabilities under this Contract without the prior written consent of the other party, provided, however, that without the Collision Repair Facility's consent, Company may assign its obligations and liabilities to any affiliate or to any successor in interest following a merger, sale or other reorganization of Company.

## Section 5.1 Termination

Notwithstanding anything in this Contract to the contrary, this Contract may be terminated at the discretion of either party, upon sending forty-eight (48) hours prior written notice to the other party; provided, however, that the termination of this Contract will not act to release either Company or the Collision Repair Facility with respect to repair work performed while this Contract was in effect.

## Section 5.2 Notices

Any notices, requests, instructions or other documents to be given hereunder to either party shall be in writing and sent by certified mail, postage prepaid, return receipt requested, to the addresses specified on the reverse side hereof.

## Section 5.3 Governing Law

The laws of the State of Ohio shall apply to the interpreted and operation of this Contract.

## Section 5.4 Disclaimer of Other Warranties

**EXCEPT AS EXPRESSLY PROVIDED HEREIN, COMPANY MAKES NO WARRANTIES OF ANY KIND RELATING TO THE PAINT SYSTEMS (AND/OR THE UNDERCOAT SYSTEMS) AND/OR THE PERFORMANCE THEREOF AND COMPANY DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY CONTAINED ON THE PAINT CONTAINER LABEL OR ON ANY OTHER LITERATURE OF COMPANY. COMPANY SHALL IN NO EVENT BE LIABLE TO THE COLLISION REPAIR FACILITY, OR TO ANY PERSON CLAIMING THROUGH THE COLLISION REPAIR FACILITY, WHETHER IN CONTRACT, TORT, OR STRICT PRODUCT LIABILITY, FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSS OF PROFITS, DEMURRAGE, OR PENALTIES, ARISING FROM ANY CAUSE WHATSOEVER.**

## Section 5.5 Entire Agreement

This Contract constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes all prior contracts and understandings between the parties. There are no representations, warranties, obligations or agreements between the parties with respect to the subject matter of this Contract except as set forth in this Contract.

This Contract supersedes and cancels all other guaranty and/or warranty contracts between the Collision Repair Facility and Company and/or the parent or any affiliate of Company.

This Contract shall not become effective unless it is signed by the Collision Repair Facility and the three representatives of Company set forth below. The Contract shall become effective on the date of signature by Company's Director of Marketing.

SIGNED BY: \_\_\_\_\_ SHERWIN-WILLIAMS AUTOMOTIVE FINISHES CORP  
("Collision Repair Facility")

By: \_\_\_\_\_ By: \_\_\_\_\_

Title: \_\_\_\_\_ Title: Sales Representative

\_\_\_\_\_ SHERWIN-WILLIAMS AUTOMOTIVE FINISHES CORP

By: \_\_\_\_\_  
Title: Area Sales Manager

\_\_\_\_\_ SHERWIN-WILLIAMS AUTOMOTIVE FINISHES CORP (Warrensville Hts., Ohio)

By: \_\_\_\_\_  
Title: Director of Marketing  
Date: \_\_\_\_\_