UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **January 29, 2013**

AVERY DENNISON CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**1 -7685**	**95-1492269**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

150 North Orange Grove Boulevard **Pasadena, California**	**91103**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code **(626) 304-2000**

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 1—Registrant's Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

On January 29, 2013, Avery Dennison Corporation, a Delaware corporation (the "Company"), and certain of its wholly-owned subsidiaries (collectively with the Company, "Sellers") entered into a Purchase Agreement, dated as of January 29, 2013 (the "Purchase Agreement"), with CCL Industries Inc., a corporation organized under the laws of Canada ("CCL"), and certain of its subsidiaries (collectively with CCL, "Buyers"), pursuant to which, upon the terms and subject to the conditions set forth in the Purchase Agreement, Buyers agreed to purchase from Sellers all of the capital stock of certain wholly-owned subsidiaries of the Company as well as certain assets of Sellers, and assume certain liabilities of Sellers which, collectively, constitute the Company's Office and Consumer Products business (the "OCP Business") and Designed and Engineered Solutions business (the "DES Business" and collectively with the OCP Business, the "Businesses") for a total purchase price of $500 million in cash, subject to certain post-closing adjustments (the "Transaction").

The Transaction is subject to the satisfaction or waiver of customary closing conditions, including, without limitation, the receipt of all necessary governmental approvals and authorizations.

The Purchase Agreement contains customary representations, warranties and covenants, including covenants relating to Sellers' conduct of the Businesses between the date of the signing of the Purchase Agreement and the closing of the Transaction. Under the Purchase Agreement, Sellers agreed to indemnify Buyers for certain liabilities of the Businesses as well as breaches of representations, warranties and covenants.

In connection with the consummation of the Transaction, the parties agreed to enter into additional agreements at closing, including:

- a Transition Services Agreement, which primarily sets forth the Company's provision of certain administrative and support services for the Businesses after the consummation of the Transaction;

- a Supply Agreement, which sets forth the ongoing purchase and sale of certain pressure-sensitive label stock, adhesive and other base material products by CCL from the Company after the consummation of the Transaction;

- a Trademark Coexistence Agreement, which sets forth the ongoing ownership and use of certain names and marks (including the "Avery" and "Avery Dennison" names and marks) and certain related logos by the Company and CCL after the consummation of the Transaction; and

- a Cross-License Agreement, which sets forth the cross-licensing of certain patents and know how between the Company and Buyers that will be used for the continued operation of the Businesses by Buyers and for the continued operation of the Company's retained business after the consummation of the Transaction.

The foregoing description of the Purchase Agreement and the transactions contemplated thereby does not purport to be complete and is qualified in its entirety by reference to the Purchase Agreement itself, which is filed as Exhibit 2.1 to this report and incorporated herein by reference.

The Purchase Agreement and the above description of the Purchase Agreement have been included to provide investors and security holders with information regarding the terms of the Purchase Agreement. They are not intended to provide any other factual information about the Company, CCL, their respective subsidiaries and affiliates, or the Businesses. The Purchase Agreement contains representations and warranties of Sellers solely for the benefit of Buyers. The assertions embodied in those representations and warranties are qualified by information in a confidential disclosure letter that Sellers have delivered to Buyers in connection with signing the Purchase Agreement as of a specific date. The disclosure letter contains information that modifies, qualifies and creates exceptions to the representations and warranties of Sellers set forth in the Purchase Agreement. Therefore, investors and security holders should not treat them as categorical statements of fact. Moreover, these representations and warranties may apply standards of materiality in a way that is different from what may be material to investors and were made only as of the date of the Purchase Agreement or such other date or dates as may be specified in the Purchase Agreement and are subject to more recent developments. Accordingly, investors and security holders should read the representations and warranties made by the Company and the other Sellers in the Purchase Agreement not in isolation but only in conjunction with the other information about the Company and its subsidiaries that the Company includes in the reports it files with the Securities and Exchange Commission.

Section 8—Other Events

Item 8.01 Other Events.

On January 30, 2013, the Company issued a press release announcing the execution of the Purchase Agreement. A copy of the press release is included as Exhibit 99.1 to this report, and incorporated herein by reference. The press release is also available on the Company's website at www.investors.averydennison.com.

Section 9—Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Exhibit Title
2.1	Purchase Agreement, dated as of January 29, 2013, by and among CCL Industries Inc. ("CCL"), a corporation organized under the laws of Canada, those subsidiaries of CCL to be designated pursuant to Section 5.8 thereof, Avery Dennison Corporation, a Delaware corporation (the "Company"), and those subsidiaries of the Company listed on Annex A thereof.
99.1	Press Release of Avery Dennison Corporation, dated January 30, 2013.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

Certain statements contained in this report on Form 8-K and in Exhibit 99.1 are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements and financial or other business targets are subject to certain risks and uncertainties. Actual results and trends may differ materially from historical or anticipated results depending on a variety of factors, including but not limited to risks and uncertainties relating to the following: (1) the occurrence of any event, change or other circumstance that could give rise to the termination of the Purchase Agreement and the related agreements; (2) the outcome of any legal proceedings that may be instituted against the Company and others following the announcement of the Purchase Agreement; (3) the inability to complete the Transaction due to the failure to satisfy conditions to the Transaction; and (4) risks that the proposed Transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of the Transaction.

For a more detailed discussion of these and other factors, see Part I, Item 1A. "Risk Factors" and Part II, Item 7. "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the Company's most recent Form 10-K, filed on February 27, 2012, and subsequent quarterly reports on Form 10-Q. The forward-looking statements included in this Form 8-K are made only as of the date of this Form 8-K, and the Company undertakes no obligation to update the forward-looking statements to reflect subsequent events or circumstances.

The financial information presented in the press release and supplemental presentation materials attached as exhibits to this Form 8-K is preliminary and unaudited.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVERY DENNISON CORPORATION

Date: January 30, 2013

By: /s/ Mitchell R. Butier
Mitchell R. Butier
Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

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99.1	Press Release of Avery Dennison Corporation, January 30, 2013.

Exhibit 2.1

EXECUTION VERSION

PURCHASE AGREEMENT

by and among

Avery Dennison Corporation

("Parent"),

Certain Subsidiaries of Parent

("Parent Subsidiary Sellers"),

CCL Industries Inc.

("Buyer Parent"),

and

Certain Subsidiaries of Buyer Parent

(collectively with Buyer Parent, "Buyer")

Dated as of January 29, 2013

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ANNEX, EXHIBITS AND SCHEDULES

PURCHASE AGREEMENT

This PURCHASE AGREEMENT, dated as of January 29, 2013 (this "Agreement"), is by and among CCL Industries Inc., a corporation organized under the laws of Canada ("Buyer Parent"), one or more subsidiaries of Buyer Parent to be designated pursuant to Section 5.8 (collectively with Buyer Parent, "Buyer"), Avery Dennison Corporation, a Delaware corporation ("Parent"), and those subsidiaries of Parent listed on Annex A (collectively, the "Parent Subsidiary Sellers," and collectively with Parent, the "Sellers").

RECITALS

WHEREAS, Parent is engaged through certain of its Subsidiaries and divisions (collectively making up the Avery Dennison Office and Consumer Products Group) in the development, manufacture, supply, distribution, marketing and sales of Printable Media Products, Label Pad Products, Note Tabs Products, and Other Products, in each case for distribution or sale through the OCP Channels to end-users (collectively, the "OCP Business"; provided that the term "OCP Business" shall exclude the conduct by Parent through certain of its Subsidiaries and divisions of the development, manufacture, supply, distribution, marketing and sales of (i) industrial adhesive products (including commercial and industrial products incorporating adhesives such as pressure-sensitive laminates, industrial adhesives, or labels other than labels sold or distributed to end-users through the OCP Channels), (ii) any products or services directed to business-to-business customers serving industrial, commercial and manufacturing customers, distributors and retailers engaged in use of labels for identifying, tracking or tracing assets or inventory or in the process of manufacturing, labeling, packaging, or selling such customers' products or providing services, (iii) products and solutions to the extent such products or solutions are (A) the labels business conducted in Europe under the brand name "JAC" and "Fasson" by Parent's and its Subsidiaries' graphics business as of the date of this Agreement, (B) printers, (C) scanners, readers, tickets, tags, labels and/or other products and solutions incorporating acousto-magnetic, radio-frequency or electronic article surveillance technology or (D) button and other non-adhesive attachment devices, or (iv) warning, usage or other labels for industrial, manufacturing and commercial applications, in each of the cases described in clauses (i), (ii), (iii) and (iv) above, by the business units of Parent other than the Office and Consumer Products Group);

WHEREAS, Parent is also engaged through certain of its Subsidiaries and divisions (collectively making up the Avery Dennison Designed and Engineered Solutions Group ("DES")) in the development, manufacture, supply, distribution, marketing and sales of DES Products and Solutions (in each case as conducted at one or more of the DES Manufacturing and Office Sites, collectively, the "DES Business", and together with the OCP Business, the "Businesses"; provided that the term "DES Business" shall exclude the conduct by Parent through certain of its Subsidiaries and divisions of the development, manufacture, supply, distribution, marketing and sales of (i) products developed, manufactured, marketed, distributed or sold by the Avery

Dennison Retail Branding and Information Solutions Group ("RBIS"), other than contractual rights to acquire such products from RBIS, (ii) products developed, manufactured, marketed, distributed or sold by the Avery Dennison Performance Tapes Group ("Performance Tapes"), other than contractual rights to acquire such products from Performance Tapes, (iii) products developed, manufactured, marketed, distributed or sold by the Avery

Dennison Graphics Solutions Group ("Graphics Solutions"), other than contractual rights to acquire such products from Graphics Solutions, (iv) products developed, manufactured, marketed, distributed or sold by the Avery Dennison Vancive Medical Technologies Group ("Vancive Medical"), (v) products developed, manufactured, marketed, distributed or sold by the Avery Dennison Materials Group ("Materials Group") and (vi) industrial products (including commercial and industrial products incorporating adhesives such as pressure-sensitive laminates, industrial adhesives, or labels) which are not finished products or the products in roll form described in clauses (viii) and (ix) of the definition of "DES Products and Solutions" herein);

WHEREAS, the Sellers desire to sell the Businesses to Buyer, and Buyer desires to purchase the Businesses from the Sellers, in the manner and subject to the terms and conditions set forth herein; and

WHEREAS, concurrently with the consummation of the sale of the Businesses contemplated by this Agreement, Parent, certain of its Subsidiaries, Buyer Parent and Buyer will enter into certain Ancillary Agreements.

AGREEMENT

In consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1.
PURCHASE AND SALE OF STOCK AND ASSETS

1.1 Purchase and Sale. Upon the terms and subject to the conditions set forth herein, on the Closing Date:

(a) Stock Purchase and Sale.

(i) Avery Dennison Australia Group Holdings Pty Limited, a proprietary company registered under the Australian Corporations Act and incorporated in New South Wales, Australia ("Australia Entity Seller"), shall take all such actions necessary to sell, convey, transfer, assign and deliver to Buyer, and Buyer shall acquire from Australia Entity Seller, all right, title and interest of Australia Entity Seller in and to the Australian Shares, comprising the issued shares in the capital of Avery Dennison Office Products Pty Limited, a proprietary company registered under the Australian Corporations Act and incorporated in New South Wales, Australia ("Australia Entity"), free and clear of all Encumbrances;

(ii) Avery Dennison Investments Luxembourg IV SARL, a société à responsabilité limitée organized under the laws of Luxembourg ("Austria Entity Seller"), shall take all such actions necessary to sell, convey, transfer, assign and deliver to Buyer, and Buyer shall acquire from Austria Entity Seller, all right, title and interest of Austria Entity Seller in and to the quota (*Geschäftsanteil*) of Avery Dennison Zweckform Austria

GmbH, a Gesellschaft mit beschränkter Haftung organized under the laws of Austria ("Austria Entity"), free and clear of all Encumbrances;

(iii) Avery Holding S.A.S, a *société par actions simplifiée* organized under the laws of France, with a share capital of 71,936,538.24 Euros, with its registered office located at Zone Industrielle — 38560 Champs-sur-Drac, registered with the French Registry of Commerce and Companies under number 804 420 295 RCS Grenoble, ("France Entity Seller"), shall take all such actions necessary to sell, convey, transfer, assign and deliver to Buyer, and Buyer shall acquire from France Entity Seller, all right, title and interest of France Entity Seller in and to the shares of Avery Dennison France S.A.S, a *société par actions simplifiée* organized under the laws of France, with a share capital of 4,500,000 Euros, with its registered office located at Rond-Point d'Ecully — 1, chemin Jean-Marie Vianney — 69130 Ecully, registered with the French Registry of Commerce and Companies under number 562 017 830 RCS Lyon ("France Entity"), free and clear of all Encumbrances;

(iv) Avery Dennison Zweckform Office Products Manufacturing GmbH, a limited liability company organized under the laws of Germany and with its registered offices in Valley/Oberlaindern, district (*Landkreis*) Miesbach, registered with the commercial register of the local court of Munich under HRB 139949 ("Germany Entity Seller"), shall take all such actions necessary to sell, convey, transfer, assign and deliver to Buyer, and Buyer shall acquire from Germany Entity Seller, all right, title and interest of Germany Entity Seller in and to the shares of Avery Dennison Zweckform Office Products Europe GmbH, a limited liability company organized under the laws of Germany and with its registered offices in Valley/Oberlaindern, district Miesbach, registered with the commercial register of the local court of Munich under HRB 144358, with a share capital of EUR 1,000,000.00, divided into three shares with the nominal value of EUR 24,750.00, EUR 250.00 and EUR 975,000.00 ("Germany Entity"), including its Russian branch, free and clear of all Encumbrances;

(v) Adespan S.r.l., a *società a responsabilità limitata* organized under the laws of Italy ("Italy Entity Seller"), shall take all such actions necessary to sell, convey, transfer, assign and deliver to Buyer, and Buyer shall acquire from Italy Entity Seller, all right, title and interest of Italy Entity Seller in and to the quota of Avery Dennison Office Products Italia S.r.l., a *società a responsabilità limitata* organized under the laws of Italy ("Italy Entity"), free and clear of all Encumbrances;

(vi) Parent and Avery Corp., a corporation organized under the laws of the State of Delaware ("Avery Corp."), shall take all such actions necessary to sell, convey, transfer, assign and deliver to Buyer, and Buyer shall acquire from Parent and Avery Corp., all right, title and interest of Parent and Avery Corp. in and to the equity quotas (*partes sociales*) of Avery Dennison Office Products de México S. de R.L. de C.V., a *sociedad de responsabilidad limitada de capital variable* organized under the laws of México ("Mexico Entity"), free and clear of all Encumbrances; and

(vii) Avery Dennison Holdings New Zealand Limited, a limited liability company incorporated under the laws of New Zealand ("New Zealand Entity Seller"),

shall take all such actions and shall cause Avery Dennison Office Products (NZ) Limited, a limited liability company incorporated under the laws of New Zealand ("New Zealand Entity"), to take all such actions necessary to sell, convey, transfer, assign and deliver to Buyer, and Buyer shall acquire from New Zealand Entity Seller, all right, title and interest of New Zealand Entity Seller in and to New Zealand Entity, free and clear of all Encumbrances.

(b) Asset Purchase and Sale. Subject to Section 1.2 and Section 5.11, each of the Sellers shall take all such actions necessary to sell, convey, transfer, assign and deliver to the applicable Buyer as set forth on Schedule 1.1(b), free and clear of all Encumbrances other than any Permitted Encumbrances, and Buyer shall acquire from each of the Sellers, all of the right, title and interest that Parent and its Subsidiaries possess in and to the assets primarily related to either of the Businesses (the "Purchased Assets"), including the following:

(i) (A) the owned real property set forth on Schedule 1.1(b)(i) (the "Asset Sale Real Property"), together with the applicable Seller's right, title and interest in all buildings, structures, improvements, paved parking lots and fixtures thereon and all other appurtenances thereto, and (B) the Real Property Leases to the extent transferable by the terms thereof;

(ii) the furniture, equipment, machinery, supplies, materials, vehicles, spare parts, tools, office equipment, computer hardware, personal property and other tangible property, including all exterior and interior ground and building signs, in each case that are owned or leased by any of the Sellers and primarily related to either of the Businesses (the "Tangible Personal Property");

(iii) leases relating to the Tangible Personal Property;

(iv) except for any Contract included in the Excluded Assets (including those Contracts described in Section 1.2(n), Section 1.2(o) and Section 1.2(r)), all Contracts to which any Seller is a party primarily relating to either of the Businesses (the "Assumed Contracts");

(v) all inventory primarily related to either of the Businesses and held for sale to customers of either of the Businesses, including spare parts, raw materials, containers, packaging and packaging supplies and work-in-process;

(vi) all accounts and notes receivable primarily related to either of the Businesses (excluding Tax receivables, intercompany accounts and notes receivable from Parent or any of its Subsidiaries, other than the Purchased Entities) and the full benefit of all security for such accounts and notes, including any claims, remedies and other rights to the extent related to any of the foregoing;

(vii) the Intellectual Property exclusively used in either of the Businesses, and the Intellectual Property used primarily in either of the Businesses set forth on Schedule 1.1(b)(vii), that is owned by or licensed to any Seller or its Subsidiary, together with claims against third parties for infringement of any of the foregoing and the right to bring actions and collect damages for past, present or future infringement for any

of the foregoing, provided, that with respect to the licensed Intellectual Property and subject to Seller's obligations in Section 5.4, to the extent transferable;

(viii) all rights of the Sellers under Permits to the extent transferable by Law and by the terms of such Permit (and pending applications and renewals therefor);

(ix) all Books and Records (other than any Books and Records that constitute Excluded Assets);

(x) all rights and assets in connection with the Transferring Pension Plans;

(xi) the goodwill and going-concern value of each Business;

(xii) the OCP Business' Global Company Prefix (GCP) codes set forth on Schedule 1.1(b)(xii);

(xiii) all claims of any Seller against third parties (other than Parent and its Affiliates) primarily relating to the Purchased Assets or either of the Businesses, whether or not asserted before the Closing Date;

(xiv) all assets included in the determination of the Net Working Capital Amount, including deposits and prepaid items and expenses;

(xv) all claims or causes of action, choses in action, rights of recovery and any other assets related to the following lawsuits: (A) Continental Datalabel, Inc. v. Avery Dennison Corporation, Docket No. 09-cv-05980, U.S. District Court for the Northern District of Illinois, Eastern Division and (B) Avery Dennison Corporation v. Continental Datalabel, Inc., Docket No. 10-cv-02744, U.S. District Court for the Northern District of Illinois, Eastern Division (collectively, the "Assumed Lawsuits");

(xvi) all cell phone and telephone numbers held by any Seller and primarily used in either of the Businesses; and

(xvii) except for the Excluded Assets, all other tangible and intangible assets of any kind or description, wherever located, that primarily relate to the Businesses.

The term "Purchased Assets" shall exclude (i) assets owned by Australia Entity, Austria Entity, France Entity, Germany Entity, Italy Entity, Mexico Entity, and New Zealand Entity (such entities, collectively, the "Purchased Entities"), the assets of which will be conveyed indirectly via the purchase of the capital stock or other equity interests of the Purchased Entities (the "Purchased Stock")) as provided in Section 1.1(a) above, (ii) the Purchased Stock and (iii) the Excluded Assets.

(c) Purchase of Intellectual Property by the Germany Entity. At the Closing, Avery Dennison Europe Holding (Deutschland) GmbH & Co KG ("Germany Holding Entity") shall take all such actions necessary to sell, convey, transfer, assign or contribute and deliver to

the Germany Entity, and the Germany Entity shall acquire from Germany Holding Entity, all of the right, title and interest in and to all Intellectual Property owned or licensed by Germany Holding Entity and used exclusively or primarily in either of the Businesses (the "German IP Transaction"), and such assets shall be considered assets of the Germany Entity for all purposes under this Agreement. The Purchase Price will be allocated to the Intellectual Property purchased by Buyer indirectly through the Germany Entity's transfer of such Intellectual Property from Germany Holding Entity as provided in Section 1.7.

1.2 Excluded Assets. Notwithstanding anything herein to the contrary, the Sellers shall retain, and the Purchased Assets shall expressly exclude the following assets, properties, goodwill or rights of the Sellers and their Subsidiaries (collectively, the "Excluded Assets"):

(a) the minute books, stock records, stock certificates, Organizational Documents, corporate seals, corporate registers and similar documents of Parent and its Subsidiaries (other than the Purchased Entities);

(b) all Books and Records that any Seller or any of its Subsidiaries is required under applicable Laws to retain in original form;

(c) all rights of the Sellers under Permits to the extent not transferable by Law or by the terms of any Permit;

(d) all rights of the Sellers under this Agreement and the Ancillary Agreements;

(e) any shared real property and related shared facilities owned or leased by any Seller or any of its Subsidiaries, in each case to the extent set forth on Schedule 1.2(e);

(f) the "Avery Dennison" name and trademarks, the upright "triangle logo," and all related trademarks, service marks, trade names, logos, symbols, corporate names domain names, and other identifiers of the Sellers and their respective Affiliates that incorporate or include "Avery Dennison" or the upright "triangle logo";

(g) all assets used or held for use by the business conducted by Materials Group, except for the Intellectual Property set forth on Schedule 1.1 (b)(vii);

(h) all known or unknown, liquidated or unliquidated, contingent or fixed, rights, claims or causes of action, choses in action, rights of recovery and rights of set-off of any kind, and indemnities against any Person that any Seller may have against any Person to the extent related to any of the Excluded Assets or the Retained Liabilities;

(i) all Cash of the Sellers and their Subsidiaries (other than the Purchased Entities);

(j) all Insurance Policies of any Seller or any of its Subsidiaries (other than the Purchased Entities) and rights thereunder;

(k) all Purchased Assets sold or otherwise disposed of during the period from the date hereof until the Closing Date in accordance with Section 5.2;

(l) except as set forth in Section 8.8, all claims for refund of Taxes and other governmental charges of whatever nature with respect to the Purchased Entities or Purchased Assets for Pre-Closing Tax Periods;

(m) except (i) as required by Law or Order, (ii) pursuant to the transfer of the Transferring Pension Plans to Buyer or its Affiliates pursuant to Section 9.1(f), (iii) for the Seller 401(k) Plan assets to be transferred to the Buyer 401(k) Plan under Section 9.1(e), or (iv) the assets of the Retained Swiss Plan and Retained Mexican Plan to be transferred to Buyer under Section 9.1(f), all rights in connection with and assets of (or related to) any employee benefit or welfare plan of a Seller or any of its Affiliates (including the Employee Plans) and any related Contract between any Person and a Seller or any of its Affiliates;

(n) except as set forth on Schedule 1.2(n), all assets comprising or relating to the Avery Research Center;

(o) all rights of the Sellers under Contracts related to the Businesses that are not assigned to Buyer after the Sellers have complied with Section 5.4(a), subject to Section 5.4(b);

(p) all Intellectual Property of the Sellers and their Subsidiaries not exclusively used in either of the Businesses (other than the Intellectual Property used primarily in either of the Businesses and set forth on Schedule 1.1(b)(vii));

(q) all assets, properties, goodwill, rights and claims of the Sellers and their Subsidiaries that are not primarily related to either of the Businesses as currently conducted;

(r) all Contracts, excluding the Real Property Leases, to which any Seller is a party primarily relating to either of the Businesses that obligates a Seller to clean-up, remediate or otherwise assume liability for any Hazardous Materials, or pay any third party for any costs related to the clean-up, remediation or assumption of liability for any Hazardous Materials, including that certain Arivec Chemicals Site PRP Group Agreement between and among those potentially responsible parties signed by Parent on March 21, 2005; and

(s) the assets set forth on Schedule 1.2(s).

1.3 Assumption of Liabilities. Upon the terms and subject to the conditions contained in this Agreement, at the Closing, Buyer shall assume and shall be solely responsible for the following Liabilities of the Sellers with respect to the Purchased Assets and the Businesses (other than Liabilities of a Purchased Entity, which shall remain Liabilities of such Purchased Entity or such Subsidiary following the Closing and which will be assumed by Buyer indirectly at the Closing via the purchase of the Purchased Stock) (together, the "Assumed Liabilities"):

(i) any and all Liabilities of any Seller or any of its Subsidiaries to the extent resulting from or arising out of the operation or conduct of either of the

Businesses, or the ownership or use of any Purchased Assets, by Buyer at or after the Closing,

(ii) (A) all Liabilities allocated to Buyer pursuant to Section 1.8 and Section 9.1 of this Agreement (including the Liabilities assumed directly or indirectly by Buyer and its Affiliates in respect of the Transferring Pension Plans), (B) all Liabilities assumed by or agreed to be performed by Buyer pursuant to this Agreement or any of the Ancillary Agreements and (C) all Liabilities for Property Taxes that are specifically allocated to or made the obligation of Buyer pursuant to Section 8.3,

(iii) all Liabilities related to employment, labor, compensation or employee benefits of each Transferring Employee (other than Purchased Entity Employees, the Liabilities for whom will be assumed by Buyer indirectly at the Closing via the purchase of the Purchased Stock), or any dependent or beneficiary of any such Transferring Employee that: (A) (x) with respect to ARD Business Employees, are incurred before, on or after the Closing Date and (y) with respect to Non-Purchased Entity Employees (other than ARD Business Employees), are incurred on or after the Closing Date (in each case, other than Liabilities relating to the those certain agreements set forth on Schedule 1.3 (the "Transaction Bonus Agreements"); provided, however, that Buyer shall assume all Liabilities for severance due under certain Transaction Bonus Agreements as set forth in Section 9.1; (B) Buyer or its Affiliates have specifically agreed to assume pursuant to this Agreement or (C) transfer automatically to Buyer or its Affiliates under applicable Law (including any Liabilities related to accrued benefits under any pension plan that transfers by operation of Law, including such benefits in Mexico and Switzerland, but excluding any Liabilities relating to: (1) any pension plan subject to ERISA and (2) any German pension plan to the extent covering inactive employees as of the Closing Date),

(iv) all Liabilities for Taxes related to each Purchased Entity and the Purchased Assets, in each case for the Post-Closing Tax Periods,

(v) all Liabilities primarily related to the Purchased Assets and/or either of the Businesses to the extent reflected in the calculation of the Net Working Capital Amount,

(vi) all Liabilities arising after the Closing Date related to any life insurance benefits provided or to be provided to any current or former employee of Parent or any of its Subsidiaries (or any of their respective beneficiaries) pursuant to or in connection with any current or former collective bargaining agreement covering employees whose work location is at the facility owned and operated by Avery Dennison Office Products Company, a Nevada corporation, on the date hereof located in Chicopee, Massachusetts,

(vii) all Liabilities arising after the Closing under and pursuant to the Assumed Contracts, except any Liabilities to the extent related to or arising out of any breach thereof by any Seller prior to the Closing or any indemnity claims by the other

party or parties thereto to the extent related to or arising out of any act, omission, event, condition, or circumstance occurring or existing prior to the Closing,

(viii) all Liabilities to the extent related to the Assumed Lawsuits, and

(ix) the MSLO Minimum Liability.

1.4 Retained Liabilities. Notwithstanding any other provision of this Agreement, Buyer shall not assume, or otherwise be responsible for, and Sellers will retain, pay, perform and discharge any liability, obligation, debt, charge or expense of Sellers of any kind, description or character except for the Assumed Liabilities (the "Retained Liabilities"). The Retained Liabilities will include, without limitation, all of the following:

(i) any and all Liabilities of any Seller or any of its Subsidiaries, whether arising before, on or after the Closing Date, to the extent resulting from or arising out of the past, present or future ownership or use of any of the Excluded Assets,

(ii) (A) all Liabilities assumed by, retained by or agreed to be performed by Parent or its Subsidiaries pursuant to this Agreement or any of the Ancillary Agreements, (B) all Liabilities for Property Taxes that are specifically allocated to or made the obligation of the Sellers pursuant to Section 8.3, (C) any Excluded Pension Liabilities, and (D) all Indebtedness of any Seller or any of its Subsidiaries (other than any Purchased Entity), excluding the Indebtedness of the Sellers listed on Schedule 1.4(ii),

(iii) Taxes of the Sellers or any of their Subsidiaries (excluding any Taxes of the Purchased Entities or any Taxes specifically allocated or made the obligation of Buyer pursuant to Section 8.3),

(iv) all Liabilities related to employment, labor, compensation or employee benefits (A) of each current or former employee of Parent or its Subsidiaries (other than the Transferring Employees) whether arising before, on or after the Closing Date and (B) of each Non-Purchased Entity Employee (other than ARD Business Employees) incurred before the Closing Date, in each case except as expressly assumed by Buyer as set forth in Section 9.1,

(v) all Liabilities related to any German pension plan to the extent covering inactive employees as of the Closing Date,

(vi) all Liabilities, obligations or claims relating to the Transaction Bonus Agreements, except as expressly assumed by Buyer as set forth in Section 1.3,

(vii) all Liabilities relating to stock-based compensation (including stock options and restricted stock units) of Parent or any of its Subsidiaries which is held by current or former employees of Parent or any of its Subsidiaries (including the Business Employees),

(viii) all Liabilities relating to workers' compensation claims by Business Employees who do not become Transferring Employees, or with respect to workers compensation claims by Transferring Employees to the extent of any Liability that relates to incidents that occurred prior to the Closing, and

(ix) the Liabilities of any Seller or any of its Subsidiaries set forth on Schedule 1.4(ix),

(x) all Liabilities for infringement, misappropriation, or violation of third party Intellectual Property to the extent relating to the Seller's conduct of the Businesses prior to the Closing,

(xi) all Liabilities (other than Assumed Liabilities) to the extent resulting from or in connection with the ownership or operation of the Purchased Assets prior to the Closing,

(xii) all Liabilities to the extent relating to injury to or death of persons or damage to or destruction of property arising out of events occurring prior to the Closing with respect to either of the Businesses or the Purchased Assets,

(xiii) except with respect to the Assumed Lawsuits, all Liabilities to the extent resulting from, relating to or arising out of any Legal Proceedings relating to Sellers' conduct of the Businesses prior to the Closing (whether pending, threatened, known or unknown), including any Legal Proceedings set forth in any Schedule referenced in Article 3 of this Agreement, or to the extent resulting from, relating to or arising out of the subject matter of any Legal Proceedings involving any Seller (with respect to either of the Businesses or the Purchased Assets) as of the Closing Date, and

(xiv) all Liabilities to the extent related to or arising out of any breach of an Assumed Contract by any Seller prior to the Closing or any indemnity claims by the other party or parties thereto to the extent related to or arising out of any act, omission, event, condition, or circumstance occurring or existing prior to the Closing.

1.5 Delivery of Estimates; Calculation of Purchase Price.

(a) On or before the date that is three (3) Business Days prior to the Closing Date: (i) Parent shall deliver to Buyer Parent a certificate setting forth (A) Parent's good faith estimate of the aggregate amount of the Cash on Hand (the "Estimated Cash On Hand"), (B) Parent's good faith estimate of the OCP Net Working Capital Amount (the "Estimated OCP Net Working Capital Amount"), (C) Parent's good faith estimate of the DES Net Working Capital Amount (the "Estimated DES Net Working Capital Amount"), (D) Parent's good faith estimate of the Indebtedness Payoff Amount (the "Estimated Indebtedness Payoff Amount") and (E) Parent's good faith estimate of the Net Intercompany Payables Amount (the "Estimated Net Intercompany Payables Amount"); and (ii) Buyer Parent shall deliver to Parent a certificate setting forth Buyer Parent's good faith estimate of the German Pension Shortfall Amount (the "Estimated German Pension Shortfall Amount").

(b) For purposes hereof, the "Purchase Price" means an amount equal to (A) Five Hundred Million Dollars ($500,000,000), plus (B) the Estimated Cash On Hand.

(c) At the Closing, upon the terms and subject to the conditions set forth herein, Buyer Parent shall (i) pay or cause to be paid to Parent, on behalf of the Sellers, for the sale, transfer, assignment, conveyance and delivery of the Purchased Stock and the Purchased Assets the Purchase Price by wire transfer of immediately available funds to one or more accounts designated by Parent and (ii) cause Buyer to assume the Assumed Liabilities. The Purchase Price shall be subject to adjustment as set forth in Section 1.6.

(d) For the purposes of calculating and determining the Cash on Hand, OCP Net Working Capital Amount, DES Net Working Capital Amount, Net Intercompany Payables Amount and Indebtedness Payoff Amount and the German Pension Shortfall Amount in this Section 1.5 and Section 1.6, the parties hereto shall use the currency exchange rates as further described on Schedule 1.5(d).

1.6 Final Cash, Indebtedness and Net Intercompany Payables of the Purchased Entities and Net Working Capital Calculations.

(a) Determination. As promptly as possible, but in any event within ninety (90) days after the Closing Date, Buyer will deliver to Parent a calculation of the Cash on Hand, Indebtedness Payoff Amount, Net Intercompany Payables Amount, OCP Net Working Capital Amount and the DES Net Working Capital Amount, which except as set forth on Schedule 1.6 shall be prepared in accordance with GAAP applied consistently with the Business Accounting Practices and Procedures (provided that in the event of a conflict between GAAP and the Business Accounting Practices and Procedures, the Business Accounting Practices and Procedures shall control), together with reasonably detailed supporting information (the "Closing

Statement"). After delivery of the Closing Statement, Parent and its accountants and Representatives shall be permitted reasonable access to review the books and records and work papers of Buyer and its Affiliates (including the work papers of Buyer's and any of its Affiliate's accountants) related to the preparation of the Closing Statement. Parent and its accountants and Representatives may make inquiries of Buyer and any of its Affiliates and their respective accountants and employees regarding questions concerning or disagreements with the Closing Statement arising in the course of their review thereof, and Buyer shall use its, and shall cause its Affiliates to use their, reasonable best efforts to cause any such accountants and employees to cooperate with and respond to such inquiries. If Parent has any objections to the Closing Statement, Parent shall deliver to Buyer a statement setting forth its objections thereto (an "Objections Statement"). If an Objections Statement is not delivered to Buyer within thirty (30) days after delivery of the Closing Statement, the Closing Statement shall be final, binding and non-appealable by the parties hereto. Parent and Buyer shall negotiate in good faith to resolve any objections set forth in the Objections Statement (and all such discussions related thereto shall, unless otherwise agreed by Buyer and Parent, be governed by Rule 408 of the Federal Rules of Evidence (and any applicable similar state rule)), but if they do not reach a final resolution within thirty (30) days after the delivery of the Objections Statement, Parent and Buyer shall submit such dispute to Deloitte LLP (subject to appropriate conflicts checks by such firm) or such other independent accounting firm as Parent and Buyer Parent may jointly select (the "Independent Auditor"). If any dispute is submitted to the Independent Auditor, each party

will furnish to the Independent Auditor such work papers and other documents and information relating to the disputed issues as the Independent Auditor may request and are available to that party or its independent accountants (including information of the Purchased Entities and their Affiliates), and each party shall be afforded the opportunity to present the Independent Auditor material relating to the determination and to discuss the determination with the Independent Auditor. The Independent Auditor shall act as an auditor and not as an arbitrator and shall resolve matters in dispute and adjust and establish any disputed adjustment of the Purchase Price amount to reflect such resolution. It is the intent of Buyer and Sellers that the process set forth in this Section 1.6 and the activities of the Independent Auditor in connection herewith are not intended to be and, in fact, are not arbitration and that no formal arbitration rules shall be followed (including rules with respect to procedures and discovery). Parent and Buyer shall use their commercially reasonable efforts to cause the Independent Auditor to resolve all such disagreements as soon as practicable. The resolution of the dispute by the Independent Auditor shall be final, binding and non-appealable on the parties hereto. The Closing Statement shall be modified if necessary to reflect such determination. The fees and expenses of the Independent Auditor shall be allocated to be paid by Buyer, on the one hand, and/or Parent, on the other hand, based upon the percentage which the portion of the contested amount not awarded to each party bears to the amount actually contested by such party, as determined by the Independent Auditor.

(b) Adjustments.

(i) Cash Adjustment. If the Cash on Hand as finally determined pursuant to Section 1.6(a) above is greater than the Estimated Cash on Hand, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such excess in accordance with Section 1.6(c). If the Cash on Hand as finally determined pursuant to Section 1.6(a) above is less than the Estimated Cash on Hand, Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such shortfall in accordance with Section 1.6(c).

(ii) OCP Net Working Capital Adjustment.

(1) If the OCP Net Working Capital Amount as finally determined pursuant to Section 1.6(a) above is greater than the Target OCP Net Working Capital Amount, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such excess in accordance with Section 1.6(c). If the OCP Net Working Capital Amount as finally determined pursuant to Section 1.6(a) above is less than the Target OCP Net Working Capital Amount, Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such shortfall in accordance with Section 1.6(c).

(2) Notwithstanding clause (1) or Section 1.6(a) above, in the event that the OCP Net Working Capital Amount has not been finally determined pursuant to Section 1.6(a) on or prior to the date which is ninety (90) days after the Closing (the "Target Date"), within five (5) Business Days after the Target Date (A) if the Estimated OCP Net Working Capital Amount is greater than the Target OCP Net Working

Capital Amount, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such excess in cash by wire transfer of immediately available funds to an account designated by Parent and (B) if the Estimated OCP Net Working Capital Amount is less than the Target OCP Net Working Capital Amount, Parent, on behalf of the Sellers, shall pay or cause to be paid to Buyer Parent such shortfall in cash by wire transfer of immediately available funds to an account designated by Buyer Parent. Thereafter, (x) if the OCP Net Working Capital Amount as finally determined pursuant to Section 1.6(a) above is greater than the Estimated OCP Net Working Capital Amount, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such excess in accordance with Section 1.6(c) and (y) if the OCP Net Working Capital Amount as finally determined pursuant to Section 1.6(a) above is less than the Estimated OCP Net Working Capital Amount, Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such shortfall in accordance with Section 1.6(c).

(iii) DES Net Working Capital Adjustment.

(1) If the DES Net Working Capital Amount as finally determined pursuant to Section 1.6(a) above is greater than the Target DES Net Working Capital Amount, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such excess in accordance with Section 1.6(c). If the DES Net Working Capital Amount as finally determined pursuant to Section 1.6(a) above is less than the Target DES Net Working Capital Amount, Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such shortfall in accordance with Section 1.6(c).

(2) Notwithstanding clause (1) or Section 1.6(a) above, in the event that the DES Net Working Capital Amount has not been finally determined pursuant to Section 1.6(a) on or prior to the Target Date, within five (5) Business Days after the Target Date, (A) if the Estimated DES Net Working Capital Amount is greater than the Target DES Net Working Capital Amount, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such excess in cash by wire transfer of immediately available funds to an account designated by Parent and (B) if the Estimated DES Net Working Capital Amount is less than the

Target DES Net Working Capital Amount, Parent, on behalf of the Sellers, shall pay or cause to be paid to Buyer Parent such shortfall in cash by wire transfer of immediately available funds to an account designated by Buyer Parent. Thereafter, (x) if the DES Net Working Capital Amount as finally determined pursuant to Section 1.6(a) above is greater than the Estimated DES Net Working Capital Amount, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such excess in accordance with Section 1.6(c) and (y) if the DES Net Working Capital Amount as finally determined pursuant to Section 1.6(a) above is less than

the Estimated DES Net Working Capital Amount, Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such shortfall in accordance with Section 1.6(c).

(iv) Indebtedness Payoff Amount Adjustment.

(1) If the Indebtedness Payoff Amount as finally determined pursuant to Section 1.6(a) above is greater than zero (0), Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such excess in accordance with Section 1.6(c).

(2) Notwithstanding clause (1) or Section 1.6(a) above, in the event that the Indebtedness Payoff Amount has not been finally determined pursuant to Section 1.6(a) on or prior to the Target Date, within five (5) Business Days after the Target Date, Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, the Estimated Indebtedness Payoff Amount. Thereafter, (A) if the Indebtedness Payoff Amount as finally determined pursuant to Section 1.6(a) above is greater than the Estimated Indebtedness Payoff Amount, Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such excess in accordance with Section 1.6(c) and (B) if the Indebtedness Payoff Amount as finally determined pursuant to Section 1.6(a) above is less than the Estimated Indebtedness Payoff Amount, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such shortfall in accordance with Section 1.6(c).

(v) Net Intercompany Payables Amount Adjustment.

(1) If the Net Intercompany Payables Amount as finally determined pursuant to Section 1.6(a) above is greater than zero (0), Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such excess in accordance with Section 1.6(c). If the Net Intercompany Payables Amount as finally determined pursuant to Section 1.6(a) above is less than zero (0), Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such shortfall in accordance with Section 1.6(c).

(2) Notwithstanding clause (1) or Section 1.6(a) above, in the event that the Net Intercompany Payables Amount has not been finally determined pursuant to Section 1.6(a) on or prior to the Target Date, within five (5) Business Days after the Target Date, (A) if the Estimated Net Intercompany Payables Amount is greater than zero (0), Parent shall pay or cause to be paid to Buyer Parent, on behalf of Buyer Parent and Buyer, such excess in cash by wire transfer of immediately available funds to an account designated by Buyer Parent and (B) if the Estimated Net Intercompany Payables Amount is less than zero (0), Buyer Parent, on behalf of Buyer Parent and Buyer, shall pay or cause to be paid to Parent,

on behalf of the Sellers, such shortfall in cash by wire transfer of immediately available funds to an account designated by Parent. Thereafter, (x) if the Net Intercompany Payables Amount as finally determined pursuant to Section 1.6(a) above is greater than the Estimated Net Intercompany Payables Amount, Parent, on behalf of the Sellers, shall pay to Buyer Parent, on behalf of Buyer Parent and Buyer, such excess in accordance with Section 1.6(c) and (y) if the Net Intercompany Payables Amount as finally determined pursuant to Section 1.6(a) above is less than the Estimated Net Intercompany Payables Amount, Buyer Parent shall pay or cause to be paid to Parent, on behalf of the Sellers, such shortfall in accordance with Section 1.6(c).

(vi) German Pension Shortfall Amount. Parent shall pay to Buyer Parent the German Pension Shortfall Amount in accordance with Section 1.6(c); provided, however, that if the German Pension Shortfall Amount has not been finally determined by the Target Date, within five (5) Business Days after the Target Date, Parent shall pay to Buyer Parent the Estimated German Pension Shortfall Amount and, in which case thereafter, (A) if the German Pension Shortfall Amount as finally determined is greater than the Estimated German Pension Shortfall Amount, Parent shall pay to Buyer Parent such excess in accordance with Section 1.6(c) and (B) if the German Pension Shortfall Amount as finally determined is less than the Estimated German Pension Shortfall Amount, Buyer Parent shall pay to Parent such shortfall in accordance with Section 1.6(c).

(c) Final Adjustment Amount. Without duplication, all amounts owed pursuant to Sections 1.6(b)(i), (ii), (iii), (iv), (v) and (vi) shall be aggregated, and the net amount (if any) owed by Buyer Parent to Parent, on the one hand, or Parent to Buyer Parent, on the other hand, is referred to as the "Final Adjustment Amount"; it being understood and agreed that if the net effect pursuant to this Section 1.6(c) is an increase in the Purchase Price, then Buyer Parent shall make or cause to be made a cash payment to Parent, on behalf of the Sellers, in an amount equal to the Final Adjustment Amount, and if the net effect pursuant to this Section 1.6(c) is a decrease in the Purchase Price, then Parent, on behalf of the Sellers, shall make a cash payment to Buyer Parent, on behalf of Buyer Parent and Buyer, in an amount equal to the Final Adjustment Amount. The Final Adjustment Amount shall be calculated as an adjustment to the Purchase Price. Payment of the Final Adjustment Amount shall be paid within five (5) Business Days after the date of final determination by wire transfer of immediately available funds to an account designated by the recipient party.

1.7 Purchase Price Allocation.

(a) The Purchase Price (plus Assumed Liabilities, to the extent properly taken into account under the Code), increased or decreased, as the case may be, by the Final Adjustment Amount, shall be allocated among the Purchased Stock and the Purchased Assets in accordance with Section 1060

of the Code and the Treasury regulations promulgated thereunder (and any similar provision of state, local or foreign Law, as appropriate) (the "Allocation"). To the extent necessary to determine the amount of Transfer Taxes or other Taxes required to be paid at or in connection with the Closing, Parent shall deliver a preliminary Allocation (the

"Preliminary Allocation") to Buyer Parent no later than fifteen (15) days prior to the Closing. Within sixty (60) days after the determination of the Final Adjustment Amount in accordance with Section 1.6, Buyer Parent shall deliver to Parent a final Allocation (the "Final Allocation"), prepared in a manner consistent with the first sentence of this Section 1.7(a), for Parent's approval, which approval shall not be unreasonably withheld, conditioned or delayed. Parent and Buyer Parent shall work in good faith to resolve any disputes relating to the Final Allocation. If Parent and Buyer Parent are unable to resolve any such dispute regarding the Final Allocation within thirty (30) days of Buyer Parent's delivery of the Final Allocation to Parent, such dispute shall be resolved promptly by the Independent Auditor, the costs of which shall be borne equally by Parent and Buyer Parent.

(b) If the Purchase Price is adjusted pursuant to any provision of this Agreement, the Final Allocation shall be adjusted in a manner consistent with the procedures set forth in Section 1.7(a) above and in accordance with Treasury Regulations Section 1.1060-1(c).

(c) Buyer and Parent shall file all Tax Returns (including IRS Form 8594) consistent with the Final Allocation. Neither Buyer nor Parent shall take any Tax position inconsistent with such Final Allocation and neither Buyer nor Parent shall agree to any proposed adjustment to the Final Allocation by any Tax authority without first giving the other party prior written notice; provided, however, that nothing contained herein shall prevent Buyer or Parent from settling any proposed deficiency or adjustment by any Tax authority based upon or arising out of the Final Allocation, and neither Buyer nor Parent shall be required to litigate before any court any proposed deficiency or adjustment by any Tax authority challenging such Final Allocation. Not later than thirty (30) days prior to the filing of their respective IRS Forms 8594 relating to this transaction, each of Buyer and Parent shall deliver to the other party a copy of its IRS Form 8594.

(d) The purchase price for the shares of New Zealand Entity does not include any capitalized interest and the parties agree that, for the purposes of EW32 of the Income Tax Act 2007 (New Zealand), this purchase price is the lowest price that the applicable parties would have agreed on at the time this Agreement was entered into, if payment had been required in full at the time the first right in the shares of New Zealand Entity was or is to be transferred. For the purposes of this clause, the term "right" has the same meaning as in section OB1 of the Income Tax Act 2007 (New Zealand).

1.8 Closing Costs; Fees. Buyer Parent and Parent shall each pay one half of the fees and costs of recording or filing all applicable conveyancing instruments described in Section 2.3. Buyer shall pay all costs of applying for new Permits and obtaining the transfer of existing Permits which may be lawfully transferred.

1.9 Withholding. Buyer Parent shall be entitled to deduct and withhold from the Purchase Price (as adjusted by the Final Adjustment Amount) such amounts as it may be required to deduct and withhold with respect to the making of such payment under the Code, or any provision of state, local or foreign Tax Law. At least ten (10) days prior to the Closing Date, Buyer Parent shall notify Parent if Buyer Parent intends to deduct and withhold any amounts pursuant to this Section 1.9 and shall reasonably cooperate with Parent to mitigate, reduce or eliminate any such withholding. To the extent that amounts are so withheld by Buyer Parent,

such withheld amounts shall be treated for all purposes of this Agreement as having been paid to Sellers in respect of which such deduction and withholding was made.

ARTICLE 2.
CLOSING

2.1 Closing. Upon the terms and subject to the conditions set forth herein, the closing of the Transactions (the "Closing") shall be held at 10:00 a.m. local time, subject to the satisfaction or waiver of all conditions to Closing set forth in Article 6, on a date mutually agreed upon between Parent and Buyer Parent, which will not be earlier than May 31, 2013 and not later than June 30, 2013; provided that if the conditions to Closing set forth in Article 6 have not been satisfied or waived prior to June 30, 2013, then the Closing shall be held at 10:00 a.m. local time on the fifth (5^{th}) Business Day, or another date mutually agreed upon between Parent and Buyer Parent, following the satisfaction or waiver of all conditions to Closing set forth in Article 6. Unless the parties hereto otherwise agree, the Closing will occur at the offices of Latham & Watkins LLP, 355 South Grand Avenue, Los Angeles, CA 90071.

2.2 Deliveries by Buyer Parent or Buyer at Closing. Upon the terms and subject to the conditions contained herein, at the Closing, Buyer Parent or Buyer shall take the following actions:

(a) Consideration to the Sellers. Buyer Parent shall deliver, or cause to be delivered, to Parent, on behalf of the Sellers, the Purchase Price set forth in Section 1.5.

(b) Assumption Agreement. Buyer shall deliver to Parent instruments of assumption substantially in the form attached hereto as Exhibit A, or otherwise in form reasonably satisfactory to Parent and Buyer and their respective counsel, evidencing Buyer's assumption of the Assumed Liabilities pursuant to Section 1.3 (the "Assumption Agreement").

(c) Assignment and Assumption of Contract Rights and Obligations. Buyer shall deliver, or cause to be delivered, to Parent the Assignment and Assumption of Contract Rights and Obligations, executed by Buyer, substantially in the form attached hereto as Exhibit C;

(d) Buyer Parent Certificate. Buyer Parent shall furnish Parent with a certificate signed by an officer of Buyer Parent that the conditions set forth in Sections 6.3(a) and (b) have been satisfied.

(e) Ancillary Agreements. Buyer shall execute and deliver each of the Ancillary Agreements to which it is a party.

(f) Indebtedness. Buyer Parent shall repay, or cause to be repaid, on behalf of the Purchased Entities, all Indebtedness of the Purchased Entities set forth on Schedule 2.2(f), including the Transaction Expenses, in each case then outstanding as of immediately prior to the Closing in accordance with the terms thereof (and to the extent available, any payoff letters with respect thereto), by wire transfer of immediately available funds.

(g) Local Actions. Buyer shall, either directly or through one or more Subsidiaries, take all actions required of it (consistent with this Agreement and the Allocation) and enter into all agreements and instruments (in form reasonably satisfactory to Parent) in each applicable jurisdiction necessary to effect the transfer of the Purchased Entities and Purchased Assets and to assume the Assumed Liabilities and to otherwise comply with its obligations in this Agreement.

2.3 Deliveries by the Sellers at Closing. Upon the terms and subject to the conditions contained herein, at the Closing, the Sellers shall take the following actions:

(a) Instruments and Possession. To effect the sale and transfer referred to in Section 1.1, the Sellers shall execute and deliver to Buyer Parent or its designee, as applicable:

(i) one or more bills of sale, substantially in the form attached as Exhibit B hereto, conveying title to all of such Seller's owned personal property included in the Purchased Assets;

(ii) the Assignment and Assumption of Contract Rights and Obligations, executed by such Sellers, substantially in the form attached hereto as Exhibit C;

(iii) the Assignment of Patents and Assignment of Trademarks, executed by Parent and each in a form registrable or recordable in the United States Patent and Trademark Office or applicable foreign offices, to the extent necessary to assign the patents and trademarks constituting Purchased Assets under Section 1.1(b)(vii), substantially in the form attached hereto as Exhibit D, provided that it shall be Buyer's responsibility to confirm that such forms are registrable or recordable in applicable foreign offices;

(iv) certificates (where applicable) representing the Purchased Stock duly endorsed (or accompanied by a duly executed stock power or membership interest assignment) and in form for transfer to Buyer or its designees, as applicable;

(v) the stock books, stock ledgers and minute books of the Purchased Entities, and the Books and Records constituting Purchased Assets, each as of the Closing Date; provided, that any of the foregoing items shall be deemed to have been delivered pursuant to this Section 2.3(a)(v) if such item has been delivered to or is otherwise certified to Buyer by a duly authorized officer of Parent to be located at any of the Purchased Entities as of the Closing Date or any of their respective offices;

(vi) special warranty deeds, or comparable instruments of transfer, in customary form for the applicable jurisdiction with respect to the Asset Sale Real Property, and, upon the reasonable request of the Title Insurer and to the extent customary in the jurisdiction in which the applicable Owned Real Property is located (and at no cost to Sellers), a standard owner's affidavit and, to the extent applicable, a non-imputation affidavit, with respect to the applicable Owned Real Property, stating facts known to the applicable Seller(s) in a form prescribed by or otherwise acceptable to the Title Insurer;

(vii) releases of any recorded security interests or similar Encumbrances held on any of the Purchased Assets or the Purchased Stock (other than Permitted Encumbrances on the Purchased Assets);

(viii) such other deeds, bills of sale, endorsements, consents, assignments, filings with public registers, transfer deeds, agreements and other good and sufficient instruments of conveyance and assignment, as Parent and Buyer and their respective counsel shall deem reasonably necessary to vest in Buyer all of the Sellers' right, title and interest in, to and under the Purchased Assets; and

(ix) when required by applicable Law, an invoice.

(b) Ancillary Agreements. Each Seller shall execute and deliver each of the Ancillary Agreements to which it is a party.

(c) Seller Certificates. Each Seller shall furnish Buyer with:

(i) a certificate executed by the Secretary, or other duly authorized director, managing director or officer of such Seller certifying as of the Closing Date (x) a true and complete copy of the Organizational Documents of such Seller and (y) a true and correct copy of the resolutions duly adopted by the board of directors (or other equivalent governing body) of each Seller, authorizing the execution, delivery and performance of this Agreement and the Transactions with respect to such Seller; and

(ii) a certificate of the appropriate Governmental Entity certifying the status or good standing, if applicable, of such Seller in its jurisdiction of incorporation.

(d) Resignations of Designated Directors and Officers. The Sellers shall deliver to Buyer, subject to applicable Law, letters dated as of the Closing Date effecting the resignation of each director, officer and, to the extent applicable, statutory auditors of each Purchased Entity set forth on Schedule 2.3(d).

(e) Parent Certificate. Parent shall furnish Buyer Parent with a certificate signed by an officer of Parent that the conditions set forth in Sections 6.2(a) and (b) have been satisfied.

(f) Local Actions. Each Seller shall take all actions required of it (consistent with this Agreement and the Allocation) and enter into all agreements and instruments (in form reasonably satisfactory to Buyer) in each applicable jurisdiction necessary to effect the transfer of the Purchased Entities, the Purchased Assets and the Assumed Liabilities and to otherwise comply with its obligations in this Agreement.

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES OF PARENT

Parent hereby represents and warrants to Buyer as follows:

3.1 Organization and Good Standing.

(a) Each Seller is duly organized, validly existing and in good standing (where applicable) under the Laws of the state, province or other jurisdiction of its formation. Each Seller is duly qualified to do business and is in good standing in each jurisdiction in which its ownership of property or the conduct of its businesses as now conducted requires it to qualify, except where the failure to be so qualified or in good standing would not reasonably be expected to have a Material Adverse Effect.

(b) Each Purchased Entity is duly organized, validly existing and in good standing (where applicable) under the Laws of the state, province or other jurisdiction of its formation with all requisite power and authority to own and operate its properties and to carry on its businesses as now conducted. Each Purchased Entity is duly qualified to do business and is in good standing in each jurisdiction in which its ownership of property or the conduct of its businesses as now conducted requires it to qualify, except where the failure to be so qualified or in good standing would not reasonably be expected to have a Material Adverse Effect. No Purchased Entity has any Subsidiaries.

3.2 Authority; No Conflict; Consents and Approvals.

(a) Each Seller has all requisite power and authority to execute and deliver this Agreement and each Ancillary Agreement to which it is a party. This Agreement and the Ancillary Agreements to which each Seller is a party have been duly authorized, executed and delivered by such Seller, and (assuming this Agreement and the Ancillary Agreements are valid and binding obligations of each of the other parties thereto) constitute the legal, valid, and binding obligations of such Seller, enforceable against such Seller in accordance with their respective terms, except as enforceability may be limited by bankruptcy Laws, other similar Laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

(b) Except for (i) the Antitrust Approvals and (ii) any notices, reports, registrations, other filings or Consents contemplated by Schedule 3.2(b) and (iii) where the failure of any of the following to be true would not reasonably be expected to be material to the Businesses taken as a whole, neither the execution and delivery of this Agreement and the Ancillary Agreements to which such Seller is a party nor the consummation or performance of any of the Transactions will result in any breach of, constitute a default under, result in a violation of, result in the creation of any Encumbrance (other than Permitted Encumbrances) upon or with respect to any of the Purchased Stock or the Purchased Assets, or require any permit or Consent by, filing with or notice or declaration to any Person or Governmental Entity, under the provisions of the Organizational Documents of such Seller or any indenture, mortgage, lease, loan agreement or other agreement or instrument related to either of the Businesses and constituting a Purchased Asset, or any law, statute or regulation or Order, judgment or decree to which such Seller or any of the Purchased Entities is subject.

3.3 Capitalization. Schedule 3.3 sets forth the name of each Purchased Entity, its jurisdiction of organization, the amount of its authorized and outstanding capital stock (or other equity interests) and the record and beneficial owners of such outstanding capital stock (or other

equity interests). All the issued and outstanding capital stock (or other equity interests) of the Purchased Entities has been duly authorized and validly issued and is fully paid and non-assessable (where applicable). There are no outstanding (i) securities convertible into or exchangeable for the capital stock of, or equity interests in, any of the Purchased Entities, (ii) options, warrants or other rights to purchase or subscribe for capital stock of, or equity interests in, any of the Purchased Entities or (iii) agreements or understandings of any kind relating to the issuance, repurchase or redemption of any capital stock of, or equity interests in, any of the Purchased Entities, any such convertible or exchangeable securities or any such options, warrants or rights. Upon Buyer's acquisition of the Purchased Stock at Closing, Buyer will be the sole record and beneficial owner of all capital stock and other equity interests in each of the Purchased Entities free and clear of all Encumbrances except as are imposed under applicable state and federal securities Laws.

3.4 Financial Statements.

(a) The Sellers have delivered to Buyer (i) an unaudited balance sheet of the OCP Business as of December 29, 2012 (the "OCP Balance Sheet"), an unaudited balance sheet of the OCP Business as of December 31, 2011 and, in each case, the related unaudited statements of income, changes in shareholders' equity and cash flows for the fiscal year then ended (collectively, the "2011 and 2012 OCP Financial Statements"), (ii) audited balance sheets of the OCP Business as of January 1, 2011, January 2, 2010 and December 27, 2008, and the related audited statements of income, changes in shareholders' equity and cash flows for the fiscal years then ended, together with the reports thereon of PricewaterhouseCoopers, independent certified public accountants, (iii) unaudited balance sheets of the DES Business as of December 29, 2012 (the "DES Balance Sheet" together with the OCP Balance Sheet, the "Balance Sheets"), December 31, 2011, January 1, 2011, and January 2, 2010 and December 27, 2008, and the related unaudited statements of income, changes in shareholders' equity and cash flows for the fiscal years then ended (collectively, the "DES Financial Statements"); clauses (i), (ii) and (iii), collectively, the "Financial Statements"). The Financial Statements have been prepared from the books and records of the OCP Business and the DES Business, as applicable, and fairly present in all material respects in accordance with GAAP the financial condition and the results of operations of such Business as of the respective dates of, and for the periods referred to in, the Financial Statements, subject to, in the case of the 2011 and 2012 OCP Financial Statements and the DES Financial Statements, the absence of footnote disclosure.

(b) Each of the Sellers (with respect to the Businesses) and the Purchased Entities has in place internal controls and procedures designed and maintained to give reasonable assurance that (i) transactions are executed in accordance with such entity's management's general or specific

authorizations, (ii) transactions are recorded as necessary to permit preparing financial statements in conformity with GAAP and to maintain accountability for assets, (iii) access to assets is permitted only in a manner designed to prevent or timely detect unauthorized acquisition, use or disposition that could have a material effect on the financial statements of the Businesses, taken as a whole, and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(c) None of the Sellers (with respect to the Businesses) or Purchased Entities has any material Liability of a nature that is required to be reflected on a balance sheet prepared in accordance with GAAP, except for any such Liability (i) set forth on either of the Balance Sheets, (ii) that has arisen in the ordinary course of business since the Balance Sheet Date (which Liability does not arise out of, relate to or result from and which is not in the nature of and was not caused by any breach of Contract, breach of warranty, tort, infringement or other violation of applicable Law or Order), (iii) as contemplated by this Agreement or any Ancillary Agreement or otherwise in connection with the Transactions or (iv) set forth on Schedule 3.4(c).

(d) All accounts receivable of the Businesses have arisen from bona fide transactions in the ordinary and usual course of business. All accounts receivable of the Businesses reflected on the Balance Sheets are, and all accounts receivable of the Businesses as of the Closing Date will be, collectible in the ordinary course of business at the aggregate recorded amounts thereof, net of any applicable reserve for returns, discounts, chargebacks, unauthorized deductions or doubtful accounts reflected thereon, where reserves are, and as of the Closing Date will be, adequate and were calculated in a manner consistent with past practice and in accordance with GAAP consistently applied.

(e) Except as set forth on Schedule 3.4(e), since January 1, 2012, none of Parent or the Sellers has changed, amended, or modified the Business Accounting Practices and Procedures.

(f) Schedule 3.4(f) sets forth a true and complete description of all Indebtedness as of the date hereof of any Seller related to the Businesses, to the extent constituting an Assumed Liability, and all Indebtedness of any Purchased Entity.

3.5 Personal Property; Sufficiency of Assets.

(a) Each Seller (with respect to the Purchased Assets) and Purchased Entity owns and has good title to, or holds pursuant to valid and enforceable leases or licenses, all material tangible personal property reflected on the Balance Sheets or acquired by the Businesses since the date thereof (except for such tangible personal property sold or disposed of subsequent to the date thereof (in the case of tangible personal property reflected on the Balance Sheets) or hereof (in the case of subsequently acquired tangible personal property) in the ordinary course of business or in accordance with Section 5.2 hereof), free and clear of all Encumbrances other than Permitted Encumbrances. No Subsidiary or Affiliate of a Seller or Purchased Entity (other than the Sellers and Purchased Entities) own any assets primarily related to the Businesses. Except as set forth on Schedule 3.12(a) no material Tangible Personal Property or material tangible personal property used by any Purchased Entity is owned by a third party other than the applicable Seller or Purchased Entity.

(b) Except as set forth on Schedule 3.5(b), after giving effect to the Transactions, the Purchased Assets and the assets of each Purchased Entity, together with all other arrangements contemplated by the Ancillary Agreements, will, immediately following the Closing, be sufficient for Buyer to operate the Businesses in all material respects in the manner conducted on the date hereof by the Sellers, the Purchased Entities.

3.6 Real Property.

(a) Schedule 3.6(a) lists the Asset Sale Real Property and all real property owned by the Purchased Entities, in each case excluding any real property that constitutes an Excluded Asset (the "Owned Real Property"). Except as set forth on Schedule 3.6(a) and except for matters that would not reasonably be expected to be material to the Businesses taken as a whole, with respect to each such parcel of Owned Real Property:

(i) Each Seller or Purchased Entity, as applicable, has good and marketable title to the parcel(s) of its Owned Real Property, free and clear of any Encumbrances other than Permitted Encumbrances;

(ii) There are no leases or other agreements granting to any third party or third parties the right of use or occupancy of any Owned Real Property, or any portion thereof, and to the Knowledge of the Sellers, no third party occupies all or any portion of the Owned Real Property; and

(iii) There are no outstanding options or rights of first refusal to purchase any Owned Real Property, or any portion thereof or interest therein, and the Sellers have all necessary power and right to sell, assign, convey and deliver the Owned Real Property to Buyer as contemplated hereby;

(iv) To the Knowledge of the Sellers, all buildings, plants, and structures located on the Owned Real Property are located wholly within the boundaries of the Owned Real Property and do not encroach upon the property of, or otherwise conflict with the property rights of, any other Person;

(v) To the Knowledge of the Sellers, there is no pending or proposed special assessment affecting or that may affect the whole or any part of the Owned Real Property;

(vi) To the Knowledge of the Sellers, use of the Owned Real Property for the various purposes that it is presently being used is permitted as of right under all applicable zoning Laws and is not subject to "permitted nonconforming" use or structure classifications;

(vii) To the Knowledge of the Sellers, the Owned Real Property abuts on and has direct vehicular access to a public road or has access to a public road via a permanent, irrevocable, appurtenant easement benefiting such Owned Real Property and comprising a part of the Owned Real Property, is supplied with public or quasi-public utilities necessary for the operation of the business located thereon; and

(viii) To the Knowledge of the Sellers, there is no existing or proposed plan to modify or realign any street or highway or any existing or proposed eminent domain proceeding that would result in the taking of all or any part of any of the Owned Real Property or that would prevent or hinder the continued use as heretofore used in the conduct of the Businesses.

(b) No Seller or Purchased Entity is a tenant under any material real property lease or license related to either of the Businesses, except for the leases or licenses set forth on Schedule 3.6(b) (the "Real Property Leases"). Except as set forth on Schedule 3.6(b), the Sellers have made available to Buyer true and complete copies (including each amendment, supplement, and modification) of each of the Real Property Leases.

(c) Except as set forth on Schedule 3.6(c), none of the real property leased to any Seller or Purchased Entity pursuant to the Real Property Leases is subject to any material sublease or sublicense to any third party made by or binding upon such Seller or Purchased Entity (such material subleases and sublicenses set forth on Schedule 3.6(c), the "Real Property Subleases"), and to the Knowledge of the Sellers, no third party occupies all or any portion of the real property leased to any Seller or Purchased Entity pursuant to the Real Property Leases. Except as set forth on Schedule 3.6(c), the Sellers have made available to Buyer true and complete copies (including each amendment, supplement, and modification) of each of the Real Property Subleases.

(d) Except as set forth on Schedule 3.6(d), each of the Real Property Leases and Real Property Subleases is in full force and effect and is a valid, binding and enforceable obligation of the Sellers or the Purchased Entities, as applicable and to the Knowledge of the Sellers is a valid, binding and enforceable obligation of each of the parties thereto other than the Sellers or the Purchased Entities, as applicable (subject to proper authorization and execution of such lease by the other parties thereto and the limitations of bankruptcy Laws, other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies). No Seller or Purchased Entity has received any written or, to the Knowledge of the Sellers, oral notice of a breach or default under any Real Property Lease or Real Property Sublease that has not been timely cured or waived, except where such breach or default would not reasonably be expected to be material to the Businesses taken as a whole. To the Knowledge of the Sellers, no landlord or licensor is currently in breach or default under any Real Property Lease and no subtenant or sublicensee is currently in breach or default under any Real Property Sublease.

3.7 Absence of Certain Changes and Events. From the Balance Sheet Date until the date of this Agreement, there has not been any Material Adverse Effect. Except as set forth on Schedule 3.7(i), from the Balance Sheet Date until the date of this Agreement, there has been no:

(a) mortgage, pledge or other Encumbrance of (i) the Purchased Stock or (ii) a material portion of the Purchased Assets or the assets of the Purchased Entities, taken as a whole, in each case other than Permitted Encumbrances;

(b) sale, assignment, exclusive license or transfer of a material portion of the tangible assets of the Sellers (with respect to the Purchased Assets) or the Purchased Entities primarily related to the Businesses, taken as a whole, except in the ordinary course of business;

(c) sale, assignment, exclusive license or transfer of any material Intellectual Property Assets, except in the ordinary course of business consistent with past practices;

(d) waiver or release of any right or claim of material value by any Seller or Purchased Entity primarily related to either of the Businesses;

(e) redemption or repurchase, directly or indirectly, of any shares of capital stock of any Purchased Entity or declaration, set aside or payment of any dividends or any other distributions with respect to any shares of capital stock of any Purchased Entity;

(f) issuance, sale or transfer of any capital stock, securities convertible into capital stock or warrants, options or other rights to acquire capital stock of any Purchased Entity;

(g) material capital expenditures or commitments therefor related to either of the Businesses, except in the ordinary course of business;

(h) amendment or modification to the Organizational Documents of the Purchased Entities;

(i) amendment or modification to any Employee Plan, or other material change to the compensation or benefits of any Business Employee except in the ordinary course of business;

(j) revocation, amendment or filing of any material Tax election, change of any method of Tax accounting or settlement or compromise of any Tax Contest (i) with respect to any Purchased Entity or (ii) if any such action shall be binding on Buyer or its Affiliates after the Closing Date, create any Encumbrance on, or other impact on the Tax position of Buyer or its Affiliates with respect to the Purchased Assets or the assets of any Purchased Entity.

During November and December of 2012, with respect to the Businesses, there has been no "channel stuffing" or any similar program, activity or other action (including any rebate, discount, chargeback or refund policy or practice) that has been initiated by the Sellers and that in each case is intended to result in purchases by customers that are materially in excess of normal customer purchasing patterns consistent with past course of dealing with any Seller; provided, however, that neither (i) any fluctuation in sales in response to seasonal demands consistent with past practice or to demands due to market or other external factors outside of Sellers' control or (ii) any forward purchases or other items described on Schedule 3.7(ii) shall be deemed to violate the foregoing provision.

3.8 Taxes. Except as set forth on Schedule 3.8:

(a) All Tax Returns, including extensions thereof, of each Purchased Entity or with respect to the Purchased Assets required to be filed through the date hereof have been timely filed with the appropriate Tax authorities or other Governmental Entity. All Taxes due and owing as of the date hereof have been timely paid or, if not so paid, have been contested in good faith and are appropriately reserved in the applicable Balance Sheet in accordance with GAAP. Each such Tax Return is complete and accurate in all respects.

(b) As of the date hereof, no deficiencies for Taxes of any Purchased Entity or with respect to the Purchased Assets have been claimed, proposed or assessed by any Tax authority or other Governmental Entity. As of the date hereof, there are no pending or ongoing

audits of any Tax Returns of any Purchased Entity or with respect to the Purchased Assets by the relevant Tax authorities or other Governmental Entities. No Seller or Purchased Entity has waived any statute of limitations with respect to Taxes of any Purchased Entity or with respect to the Purchased Assets, and none of them has agreed to any extension of time with respect to a Tax assessment or deficiency related to any such Taxes.

(c) No Purchased Entity has any Liability for the Taxes of any Person (other than Taxes of the affiliated group of which Parent is the common parent) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local, or foreign Law), by contract (excluding customary Tax indemnification provisions in commercial contracts not primarily relating to Taxes) or otherwise, as a transferee or successor. No Purchased Entity is a party to any Tax sharing agreement.

(d) The New Zealand Entity does not have a negative balance in its imputation credit account as of the Closing Date.

(e) Avery Dennison Canada Corporation, an unlimited liability company governed by the laws of the Province of Nova Scotia ("Avery Dennison Canada"), represents and warrants that it is registered under Part IX of the *Excise Tax Act* (Canada) and under *An Act respecting the Quebec Sales Tax Act* and its registration numbers are 13342 3996 RT0003 and 1011987130 TQ0001, respectively.

(f) All Taxes (i) of each Purchased Entity or (ii) with respect to the Purchased Assets, that are required by law to be withheld or collected, including sales and use taxes, and amounts required to be withheld for Taxes of employees, have been duly withheld or collected and, to the extent required, have been paid over to the proper Governmental Entities or are held in separate bank accounts for such purpose.

(g) Except as set forth in Schedule 3.8(g), since January 1, 2008, no Purchased Entity has been a party to a transaction that is reported to qualify under Code Section 355.

(h) No Purchased Entity has been a party to a transaction that is or is substantially similar to a "listed transaction," as such term is defined in Treasury Regulations Section 1.6011-4(b)(2).

(i) Except as set forth in Schedule 3.8(i), no Purchased Entity will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) any installment sale or open transaction disposition made on or prior to the Closing Date, (ii) any prepaid amount received on or prior to the Closing Date, (iii) any "closing agreement," as described in Section 7121 of the Code (or any corresponding provision of state, local or foreign income Tax law), (iv) any intercompany transaction or any excess loss account within the meaning of Treasury Regulation Section 1.1502-19 under the Code (or any corresponding or similar provision or administrative rule of federal, state, local or foreign Tax law), or (v) a change in the method of accounting for a period ending on or prior to the Closing Date.

3.9 Employees and Employee Benefits.

(a) Schedule 3.9(a) lists all material employee benefit plans (as defined in Section 3(3) of ERISA), all material bonus, stock option, stock purchase, restricted stock, incentive, deferred compensation, paid time off, retiree medical or life insurance, supplemental retirement, severance and other benefit plans, programs or arrangements, and all material employment, termination, change in control, retention, severance or other similar material contracts or agreements, whether or not subject to ERISA (but not including any benefit plan administered, sponsored or maintained by any Governmental Entity) (i) which are maintained, contributed to or sponsored by the Sellers or any of their Affiliates for the benefit of any Business Employee (the "Parent Plans"), (ii) with respect to which the Sellers or any of their Affiliates have any material obligation to any Business Employee, or (iii) which are maintained, contributed to or sponsored by the Purchased Entities (the "Purchased Entity Plans") (collectively, the "Employee Plans"). The Sellers have made available to Buyer a true and complete copy of each Employee Plan (and any amendments thereto), including (if applicable) the most recent summary plan descriptions thereof.

(b) Each Employee Plan that is intended to be qualified under Section 401(a) of the Code has timely received a favorable determination letter from the IRS that the Employee Plan is so qualified and each trust established in connection with any Employee Plan which is intended to be exempt from federal income taxation under Section 501(a) of the Code has received a determination letter from the IRS that it is so exempt, and, to the Knowledge of the Sellers, no event or circumstance has occurred since the date of such determination letter or letters from the IRS that would adversely affect the qualified status of any such Employee Plan or the exempt status of any such trust. The terms of each Purchased Entity Plan subject to Section 409A of the Code comply in all material respects with Section 409A of the Code.

(c) Each of the Purchased Entity Plans, the Transferring Pension Plans and the Seller 401(k) Plan have been maintained and administered in accordance with its terms and in compliance in all material respects with all applicable Laws or Orders, except as set forth on Schedule 3.9(c). All material contributions required to be made by the Parent or any of its Affiliates to any Purchased Entity Plan prior to the Closing Date have been made or are properly accrued on the financial statements of the employer maintaining such plan.

(d) Except as set forth on Schedule 3.9(d), there is no pending or, to the Knowledge of the Sellers, threatened legal action, investigation, audit, suit or claim relating to a Purchased Entity Plan, the Transferring Pension Plans or the Seller 401(k) Plan (other than routine claims for benefits), that would reasonably be expected to be material to the Businesses taken as a whole.

(e) No Employee Plan is a multiemployer plan (within the meaning of Section 3(37) of ERISA). Except as set forth on Schedule 3.9(e), neither Sellers nor any of their Affiliates have at any time in the past ten (10) years sponsored, maintained or contributed to any defined benefit pension plan, including, but not limited to, any multi-employer plan, subject to ERISA. Except as set forth on Schedule 3.9(e) or as otherwise would not reasonably be expected to be material to the Businesses taken as a whole, (i) no Purchased Entity Plan provides health or other welfare benefits to former employees of either of the Businesses other than as required by

COBRA, and (ii) during the past six (6) years, neither the Parent nor any of its Affiliates have made contributions to or been obligated to make contributions to a multiemployer plan (within the meaning of Section 3(37) of ERISA) or a plan that is subject to Title IV of ERISA with respect to any current or former employees of either of the Businesses.

(f) Schedule 3.9(f) contains a list, as of the date hereof, of the Business Employees, and includes the following information pertaining to each such Business Employee: (i) employee identification number, (ii) job title and function, (iii) business unit, (iv) current employer, (v) location of employment, (vi) hire date, (vii) date of birth, (viii) base compensation and bonus opportunity, (ix) status as exempt or non-exempt, if applicable, (x) status as full-time, part-time and/or temporary, (xi) base compensation paid for prior calendar year, (xii) method of pay (hourly, salaried, commission or specified other), and (xiii) accrued and unused paid-time off and sick leave. For Business Employees that work within the United States, Schedule 3.9(f) also sets forth a list of such employees who are not either citizens of the United States or permanent residents entitled to work in the United States.

(g) Except as set forth on Schedule 3.9(g), neither the execution of this Agreement or the Ancillary Agreements, nor the consummation or performance of any of the Transactions contemplated hereby will (either immediately or with the passage of time or continued employment) (i) result in any material payment (including severance, unemployment compensation, golden parachute or otherwise) becoming due to any Business Employee, (ii) materially increase the amount of benefits payable to any Business Employee under any Employee Plan, or (iii) result in the acceleration of the time of payment or vesting of any such benefits to any material extent.

3.10 Compliance with Laws; Permits.

(a) Other than with respect to Laws concerning Taxes (which are addressed in Section 3.8 above), Laws concerning employee benefits (which are addressed in Section 3.9 above), Laws concerning unlawful payments (which are addressed in clause (c) of this Section 3.10 below), Environmental Laws (which are addressed in Section 3.13 below) and Laws concerning employees and labor matters (which are addressed in Section 3.14 below), each Seller and Purchased Entity is and, since December 1, 2009, has been in compliance with each Law that is applicable to it in connection with the Businesses or the ownership or use of the Purchased Stock, the assets of the Purchased Entities or the Purchased Assets, except where the failure to comply would not reasonably be expected to be material to the Businesses taken as a whole.

(b) Other than with respect to Environmental Permits (which are addressed in Section 3.13 below), and except as set forth on Schedule 3.10(b), each Seller and Purchased Entity possesses all of the material Permits necessary for each of them to lawfully conduct and operate the Businesses as conducted as of the date of this Agreement, and each of them is in material compliance in all respects with all such Permits.

(c) The Sellers (with respect to the Businesses) and the Purchased Entities have not, and their respective officers, directors, agents, employees or other Persons acting on their behalf have not, since January 1, 2008, directly or indirectly violated or taken any act in

furtherance of violating any provision of the Foreign Corrupt Practices Act of 1977 (as amended), the U.K. Bribery Act 2010 or any other anti-bribery or anti-corruption Laws of any jurisdiction where either Business is conducted (collectively, the "Anti-Corruption Laws"). In addition, without limiting the foregoing, since January 1, 2008, each Seller and Purchased Entity: (x) has maintained its Books and Records in a manner that, in reasonable detail, accurately and fairly reflects the transactions and disposition of their assets; (y) has not established or maintained any fund or asset that has not been recorded in the Books and Records; and (z) has maintained a system of internal accounting controls and procedures sufficient to ensure compliance with the Anti-Corruption Laws.

(d) Since January 1, 2008, the Sellers (with respect to the Businesses) and the Purchased Entities, and their respective officers, directors, agents, employees or other Persons acting on their behalf: (i) have conducted their export transactions in accordance in all material respects with applicable provisions of U.S. export Laws (including the International Traffic in Arms regulations, the Export Administration Regulations, the antiboycott laws and the regulations administered by the Department of Treasury, Office of Foreign Assets Control), and other export Laws of any jurisdiction where either Business is conducted; and (ii) have not received any notices of material noncompliance, complaints or warnings with respect to its compliance with export Laws or Orders.

3.11 Legal Proceedings; Orders. Except as set forth on Schedule 3.11, there is no Legal Proceeding or Order pending or, to the Knowledge of the Sellers, overtly threatened against any Seller or Purchased Entity related to either of the Businesses, the Purchased Stock, the Purchased Assets or the Assumed Liabilities, which if determined adversely would reasonably be expected to be material to the Businesses taken as a whole, and there are no material outstanding judgments related to either of the Businesses, the Purchased Stock, the Purchased Assets or the Assumed Liabilities. There is no pending Legal Proceeding that has been commenced against Sellers or the Purchased Entities and that challenges, or may have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the Transactions. To the Knowledge of Sellers, no such Legal Proceeding has been threatened.

3.12 Contracts.

(a) Schedule 3.12(a) contains a complete and accurate list as of the date hereof, and the Sellers have made available to Buyer copies of each written Contract and a description of each oral Contract (collectively, the "Material Contracts"):

(i) that involves the performance of services or delivery of goods by the Businesses during any fiscal year of an amount or value, individually or, for a series of related Contracts with the same party, in the aggregate, in excess of $500,000;

(ii) that involves the performance of services or delivery of goods or materials to either of the Businesses during any fiscal year of an amount or value, individually or, for a series of related Contracts with the same party, in the aggregate, in excess of $500,000;

(iii) that is a lease of material Tangible Personal Property by any Seller or Purchased Entity;

(iv) that is a material license agreement involving any Seller or Purchased Entity with respect to material Intellectual Property Assets or that requires a royalty payment in excess of $100,000 to be paid to or by any Seller with respect to Intellectual Property Assets, excluding licenses for software that is generally commercially available;

(v) that is an agreement concerning the establishment or operation of a joint venture or partnership that is material to either of the Businesses;

(vi) related to either of the Businesses that grants any exclusive marketing, distribution, Intellectual Property or other similar rights to any third party;

(vii) related to either of the Businesses containing covenants that materially restrict the ability of any Seller or Purchased Entity to compete in any line of business;

(viii) under which any Seller is obligated to repay or has guaranteed any outstanding Indebtedness of any Purchased Entity;

(ix) that contains any form of most-favored pricing provision in favor of any customer or supplier of either of the Businesses;

(x) where a Governmental Entity is a party thereto and which relates to either of the Businesses; or

(xi) that is a Financial Instrument relating to either of the Businesses.

(b) Except as set forth on Schedule 3.12(b), each Material Contract is in full force and effect and is a valid, binding and enforceable obligation of the Sellers or the Purchased Entities, as applicable and to the Knowledge of the Sellers is a valid, binding and enforceable obligation of each of the parties thereto other than the Sellers or the Purchased Entities, as applicable, except to the extent enforceability may be limited by bankruptcy Laws, other similar laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies. For each Material Contract (other than Contracts related solely to Excluded Assets or Retained Liabilities), no Seller or Purchased Entity, nor, to the Knowledge of the Sellers, any other Person that is party to any such Material Contract, lease or agreement, is in default thereunder, except where such default would not reasonably be expected to be material to the Businesses taken as a whole.

3.13 Environmental Matters. Except as set forth on Schedule 3.13:

(a) Each Seller and Purchased Entity is in material compliance with all Environmental Laws applicable to the Business and to the ownership and operation of the Facilities.

(b) Each Seller and Purchased Entity (i) holds all Environmental Permits required for the ownership and operation of either of the Businesses at the Facilities, and (ii) since January 1, 2008, has always operated the Businesses at the Facilities in compliance with all such Environmental Permits.

(c) No Seller or Purchased Entity has received, as of the date hereof, any notice, demand, letter or request for information relating to any Facility alleging violation of or Liability or potential Liability under any Environmental Law; as of the date hereof, no Environmental Claim relating to any Facility is pending or, to the Knowledge of the Sellers, is threatened against any Seller or Purchased Entity.

(d) In connection with the operation of the Facilities, none of the Sellers or Purchased Entities has installed, used, generated, transported, treated, emitted, discharged, Released, disposed of or arranged for the disposal of any Hazardous Material in a manner so as to give rise to any Environmental Claim.

(e) There is not present at, in, on, under, or emanating from, under any of the Facilities any Hazardous Materials in such form, quantity, or concentration as to give rise to any Environmental Claim against any Seller or Purchased Entity, Buyer Parent or Buyer.

(f) Each Seller and Purchased Entity has made available to Buyer true, correct and complete copies of all Environmental Permits and associated disclosures, correspondence, and documents dated on or after, December 1, 2008, and all Phase I and Phase II environmental site assessments prepared at any time in relation to any Facility and in the possession or under the control of a Seller or Purchased Entity.

(g) All USTs at any Facility are in compliance with all applicable Environmental Laws or have been properly closed or removed in conjunction with remediation of any releases, including the delivery of all notifications or reports to applicable Governmental Entities as may be required pursuant to Environmental Laws, copies of which have been provided to Buyer where such copies are in the possession or control of a Seller or Purchased Entity.

(h) This Section 3.13 constitutes the sole and exclusive representations and warranties of Parent with respect to any matters relating to environmental, health or safety matters, including those arising under Environmental Laws.

3.14 Employment and Labor Matters.

(a) Schedule 3.14(a) contains a complete and accurate list, as of the date hereof, of each collective bargaining, works council or other material labor union or bargaining representative contract or material labor arrangement covering any Business Employee (the "Collective Bargaining Agreements"). The Sellers have made available true and complete copies of all Collective Bargaining Agreements to Buyer. Except as would not reasonably be expected to be material to the Businesses taken as a whole, each of Sellers and the Purchased Entities is in compliance with the terms of the Collective Bargaining Agreements.

(b) Except as set forth on Schedule 3.14(b) or as otherwise would not reasonably be expected to be material to the Businesses taken as a whole, to the Knowledge of the Sellers, (i) there are no pending activities or proceedings involving any labor union to organize or represent any such Business Employees; (ii) since January 1, 2007, there has been no labor strike, labor dispute, slowdown, picketing, or work stoppage involving any Business Employee pending or, to the Knowledge of the Sellers, overtly threatened; and (iii) there are no complaints, grievances, unfair labor practice charges or other applications or Legal Proceedings involving any union, labor organization, employee group, or other body that have been delivered to the employer under a Collective Bargaining Agreement or that are pending before a labor relations board or any similar authority or any Governmental Entity currently pending or, to the Knowledge of the Sellers, threatened, against any Seller or Purchased Entity relating to any Business Employee.

(c) Except as set forth on Schedule 3.14(c) or as otherwise would not reasonably be expected to be material to the Businesses taken as a whole, each of the Sellers and the Purchased Entities is, and since December 31, 2009, has been, in compliance with all applicable Laws or Orders in connection with the employment of the Business Employees, including Laws relating to wages, hours, working time, equal opportunity, occupational health and safety, workers' compensation, collective bargaining, equal pay or treatment, discrimination on the grounds of any class protected by Law, information and consultation, maternity, paternity and parental leave and pay, immigration control, and information and data privacy and security.

(d) Except as set forth on Schedule 3.14(d) or as otherwise would not reasonably be expected to be material to the Businesses taken as a whole, each of the Sellers and the Purchased Entities has complied with all of its obligations to inform and consult with Business Employees on or prior to the date hereof in accordance with the Transfer of Undertakings, any applicable Collective Bargaining Agreements, and any other applicable Laws or Orders or legal obligations, including (i) all requirements to provide employee liability information, (ii) all requirements to elect employee representatives, and (iii) the duty to inform and consult representatives.

(e) Except as set forth on Schedule 3.14(e) or as otherwise would not reasonably be expected to be material to the Businesses taken as a whole, each individual performing services with respect to either of the Businesses for any Seller or Purchased Entity who has been classified as an independent contractor, or as any other non-employee category, has been correctly so classified and is not a common law employee of any Seller or Purchased Entity.

(f) To the Knowledge of the Sellers, no Business Employee listed on Schedule 3.14(f) intends to terminate employment with any Seller or Purchased Entity, or to not accept employment with Buyer or its Affiliates following the Closing.

(g) Except as set forth on Schedule 3.14(g), as of the date hereof, no Business Employee (i) is on maternity, paternity, parental, family or medical leave, or other paid or unpaid leave of absence or (ii) is receiving or due to receive payment under any short-term or long-term disability scheme or insurance program of any Seller or Purchased Entity. As to each Business

Employee who is listed on Schedule 3.14(g), Schedule 3.14(g) includes the nature of the leave and the date it began.

(h) Except as set forth on Schedule 3.14(h) or as otherwise would not reasonably be expected to be material to the Businesses taken as a whole, as of the date hereof, no workers' compensation claims are pending against any Sellers or Purchased Entities with respect to any Business Employee and, to the Knowledge of the Sellers, none of the Business Employees has suffered or is suffering from any injury, illness or disease caused directly or indirectly by any employment-related condition or event or by contact with any materials within the scope of such employment.

3.15 Intellectual Property.

(a) Schedule 3.15(a)(i) hereto sets forth all patents, design patents, trademark registrations, copyright registrations, and applications therefor or thereto, within the Intellectual Property Assets owned by the Sellers and the Purchased Entities. Schedule 3.15(a)(ii) hereto sets forth all currently pending administrative proceedings which may result in the cancellation or material modification of the rights associated with any issued patent, design patent, trademark registration or copyright registration including any ex parte reexamination, inter partes reexamination, supplemental examination, post-grant review, cancellation or other similar administrative proceedings with respect to the items listed on Schedule 3.15(a)(i) hereto.

(b) Except as set forth on Schedule 3.15(b), and except for matters that would not reasonably be expected to be material to the Businesses taken as a whole, (i) the Sellers and the Purchased Entities own all right, title and interest in and to, or otherwise control or have the right to use the Intellectual Property Assets, in each case, free and clear of all Encumbrances other than Permitted Encumbrances; (ii) since December 1, 2009, none of the Sellers or the Purchased Entities has received any written notices of infringement or misappropriation from any third party with respect to either of the Businesses that has not been resolved; (iii) to the Knowledge of the Sellers, no third party is infringing or misappropriating any Intellectual Property Assets; (iv) use of the Intellectual Property Assets does not infringe the rights of any third party; (v) patents included in the Intellectual Property Assets have not been adjudged or, since December 1, 2009, are under written challenge that they are invalid or unenforceable in whole or in part; and (vi) to the Knowledge of the Sellers, the Intellectual Property Assets are valid and enforceable.

(c) Except as set forth on Schedule 3.15(c), and except for matters that would not reasonably be expected to be material to the Businesses taken as a whole, as to software that is owned by and not licensed to a Seller or Purchased Entity and constitutes Intellectual Property Assets: (i) if licensed by a Seller or Purchased Entity to third parties, such licenses are non-exclusive and revocable by the licensor for material breach; (ii) the source code and related documentation for any such software has been maintained as confidential and has not been disclosed to any other parties except under a duty of

confidentiality; and (iii) the Sellers and the Purchased Entities have not made any binding commitment to any end users or other licensees to develop, enhance or support said software except for ordinary maintenance and support obligations made in the ordinary course of business.

3.16 Customers and Suppliers. Schedule 3.16 contains a complete and accurate list of (a) the ten (10) largest suppliers of the OCP Business for the years ended December 31, 2012 and December 31, 2011 (measured by dollar volume), (b) the ten (10) largest customers of the OCP Business for the years ended December 31, 2012 and December 31, 2011 (measured by dollar volume), (c) the ten (10) largest suppliers of the DES Business for the year ended December 31, 2012 (measured by dollar volume) and (d) the ten (10) largest customers of the DES Business for the year ended December 31, 2012 (measured by dollar volume). Since the Balance Sheet Date through the date of this Agreement, except as set forth on Schedule 3.16, none of such suppliers or customers has: (i) notified in writing or, to the Knowledge of the Sellers, orally any Seller (with respect to the Businesses) or Purchased Entity that the supplier or customer intends to discontinue its relationship with such Seller or Purchased Entity or (ii) notified in writing or, to the Knowledge of the Sellers, orally any Seller (with respect to the Businesses) or Purchased Entity that the supplier or customer intends to materially reduce its purchases from, or provision of supplies to, such Seller or Purchased Entity.

3.17 Related Party Transactions. Except as set forth on Schedule 3.17, since January 1, 2012, there have been no material transactions or agreements entered into in connection with or related to either of the Businesses involving the payment for, or provision of goods and services to, or assumption of Liabilities, between any Seller or Purchased Entity, on the one hand, and any other Subsidiaries or divisions of Parent, on the other hand, other than those contemplated by this Agreement and the Ancillary Agreements.

3.18 Brokers and Finders. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the Transactions based on any arrangement or agreement made by or on behalf of Parent, the Sellers or the Purchased Entities, other than obligations to J.P. Morgan Securities LLC, which obligations shall be satisfied by the Sellers.

3.19 Product Liability. Since December 1, 2009, no Governmental Entity has notified any Seller or Purchased Entity in writing that any product manufactured, sold or delivered by the Sellers (with respect to the Businesses) or the Purchased Entities is defective or unsafe or fails to meet any product warranty or any standards promulgated by any such Governmental Entity.

3.20 Inventory. All items of inventory of the Sellers (primarily related to either of the Businesses) and the Purchased Entities are of a type and quality which will be usable and saleable in the ordinary and usual course of business as heretofore conducted by the applicable Seller or Purchased Entity, except to the extent of the reserves reflected on the Balance Sheets or reserves calculated in a manner consistent with past practice. Except as set forth on Schedule 3.20, no such inventory is consigned or held in any public warehouse.

3.21 No Other Representations and Warranties. Except for the representations and warranties contained in this Article 3 or in the Ancillary Agreements, Buyer acknowledges and agrees that none of the Sellers, any Subsidiaries or Affiliates of the Sellers nor any other Person is making any other express, implied or statutory representation or warranty with respect to the Purchased Stock, the Purchased Entities, the Purchased Assets, the Assumed Liabilities or otherwise, including any implied warranties of merchantability, fitness for a particular purpose, title, enforceability or non-infringement, including as to (a) the physical condition or usefulness for a particular purpose of the real or Tangible Personal Property included in the Purchased

Assets, (b) the use of the Purchased Assets, the assets of the Purchased Entities, and the operation of either of the Businesses by Buyer after the Closing in any manner other than as used and operated by the Sellers or their Subsidiaries on the date hereof, or (c) the probable success or profitability of the ownership, use or operation of either of the Businesses by Buyer after the Closing. Except for the representations and warranties contained in this Article 3 or in the Ancillary Agreements, all Purchased Assets and assets of the Purchased Entities are conveyed on an "AS IS" and "WHERE IS" basis. Except for the representations and warranties contained in this Article 3 or in the Ancillary Agreements and the indemnification obligations set forth in Article 7 hereof, no Seller nor any other Person will have or be subject to any liability or indemnification obligation to Buyer or any other Person for any information provided to Buyer or its representatives relating to either of the Businesses or otherwise in expectation of the Transactions, including the confidential offering memorandum or other material prepared by J.P. Morgan Securities LLC, Parent or its Affiliates related to either of the Businesses and any information, document, or material made available to Buyer or its counsel or other representatives in Buyer's due diligence review, including in certain "data rooms" (electronic or otherwise) or management presentations.

ARTICLE 4.
REPRESENTATIONS AND WARRANTIES OF BUYER PARENT

Buyer Parent hereby represents and warrants to Parent as follows:

4.1 Organization of Buyer. Buyer Parent is a corporation duly organized, validly existing and in good standing under the laws of Canada with all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and each Ancillary Agreement to which it is a party. Each Buyer is duly organized, validly existing and in good standing (where applicable) under the Laws of the state, province or other jurisdiction of its formation, with all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement and each Ancillary Agreement to which it is a party.

4.2 Authority; No Conflict; Consents and Approvals.

(a) Buyer Parent and each Buyer have all requisite power and authority to execute and deliver this Agreement. This Agreement and the Ancillary Agreements to which Buyer Parent and each Buyer are a party have been duly authorized, executed and delivered by Buyer Parent and such Buyer, and (assuming this Agreement is a valid and binding obligation of each of the other parties thereto) constitute the legal, valid, and binding obligations of Buyer Parent and such Buyer, enforceable against Buyer Parent and such Buyer in accordance with their respective terms, except as enforceability may be limited by bankruptcy Laws, other similar Laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies.

(b) Except for (i) the Antitrust Approvals, (ii) any notices, reports, registrations, other filings or Consents contemplated by Schedule 4.2(b), and (iii) where the failure of any of the following to be true would not have a materially adverse impact on Buyer Parent's or Buyer's ability to consummate the Transactions, neither the execution and delivery of this Agreement by Buyer Parent or Buyer nor the consummation or performance of any of the

Transactions by Buyer Parent or Buyer will give any Person the right to prevent, delay or otherwise interfere with any of the Transactions pursuant to (i) any provision of Buyer Parent's or Buyer's Organizational Documents, (ii) any law, statute or regulation or Order, judgment or decree to which Buyer Parent or Buyer may be subject except as would not have a materially adverse impact on Buyer Parent's and Buyer's ability to consummate the Transactions or (iii) any Contract to which Buyer Parent or Buyer is a party or by which Buyer Parent or Buyer may be bound except as would not have a materially adverse impact on Buyer Parent's or Buyer's ability to consummate the Transactions. Except for the Antitrust Approvals, Buyer is not and will not be required to obtain any Consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any of the Transactions that would not have a materially adverse impact on Buyer Parent's or Buyer's ability to consummate the Transactions.

4.3 Proceedings. There is no pending Legal Proceeding that has been commenced against Buyer Parent or Buyer and that challenges, or may have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the Transactions. To Buyer Parent's knowledge, no such Legal Proceeding has been threatened.

4.4 Brokers or Finders. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the Transactions based on any arrangement or agreement made by or on behalf of Buyer Parent or Buyer.

4.5 Financing. On the Closing Date, Buyer will have sufficient cash, available lines of credit or other sources of immediately available funds to pay the Purchase Price and any other amounts to be paid by it hereunder. Buyer has delivered to Parent a true and complete copy of the executed Commitment Letter (together with any amendments or modifications thereto). Neither Buyer nor any of its Affiliates has entered into any agreement, side letter or other arrangement relating to the financing of the Transactions, other than as set forth in the Commitment Letter. The respective commitments contained in the Commitment Letter have not been withdrawn or rescinded in any respect. The Commitment Letter is in full force and effect and represents a valid, binding and enforceable obligation of Buyer and each other party thereto, and without limiting the generality of the foregoing, is a valid, binding and enforceable obligation of the lenders which are a party thereto, to provide the financing contemplated thereby subject only to the satisfaction or waiver of the Financing Conditions and, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors. Buyer has fully paid (or caused to be paid) any and all commitment fees and other amounts that are due and payable on or prior to the date of this Agreement in connection with the Financing. No event has occurred which, with or without notice, lapse of time or both, would constitute a breach or default on the part of Buyer or any other party thereto under the Commitment Letter. Buyer has no reason to believe that (i) it or any other party thereto will be unable to satisfy on a timely basis any term of the Commitment Letter, (ii) any of the Financing Conditions will not be satisfied or (iii) the Financing will not be available to Buyer on the Closing Date. There are no conditions precedent or other contingencies related to the funding of the full amount of the Financing, other than the Financing Conditions.

4.6 Investment Representation. Buyer is purchasing the Purchased Stock for its own account with the present intention of holding such securities for investment purposes and not with a view to or for sale in connection with any public distribution of such securities in violation of any federal or state securities Laws. Buyer is an "accredited investor" as defined in Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Buyer acknowledges that it is informed as to the risks of the Transactions and of ownership of the Purchased Stock. Buyer acknowledges that the Purchased Stock has not been registered under the Securities Act or any state or foreign securities Laws and that the Purchased Stock may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of unless such transfer, sale, assignment, pledge, hypothecation or other disposition is pursuant to the terms of an effective registration statement under the Securities Act and registered under any applicable state or foreign securities Laws or pursuant to an exemption from registration under the Securities Act and any applicable state or foreign securities Laws.

4.7 Solvency. Immediately after giving effect to the Transactions, Buyer Parent and each of its Subsidiaries (including Buyer and the Purchased Entities) shall be able to pay their respective debts as they become due and shall own property which has a fair saleable value greater than the amounts required to pay their respective debts (including a reasonable estimate of the amount of all contingent liabilities). Immediately after giving effect to the Transactions, Buyer Parent and each of its Subsidiaries (including Buyer and the Purchased Entities) shall have adequate capital to carry on their respective businesses. No transfer of property is being made and no obligation is being incurred in connection with the Transactions with the intent to hinder, delay or defraud either present or future creditors of Buyer Parent and each of its Subsidiaries (including Buyer and the Purchased Entities).

4.8 Due Diligence Investigation. Buyer has had an opportunity to discuss the business, management, operations and finances of each of the Businesses with each of the Sellers and the Purchased Entities and their respective officers, directors, employees, agents, Representatives and Affiliates, and has had an opportunity to inspect the facilities of each of the Businesses. Buyer has conducted its own independent investigation of each of the Businesses and has been furnished by the Sellers or the Purchased Entities, or their Representatives, with all information, documents and other materials relating to each of the Businesses that Buyer believes is necessary to enter into this Agreement. In making its decision to execute and deliver this Agreement and the Ancillary Agreements and to consummate the Transactions, Buyer has relied solely upon the representations and warranties of Parent set forth in Article 3 and has not relied upon any other information provided by, for or on behalf of the Sellers or the Purchased Entities or any of their respective agents or Representatives, to Buyer in connection with the Transactions.

ARTICLE 5.
PRE-CLOSING COVENANTS

Parent and Buyer covenant and agree with each other as follows:

5.1 Access and Investigation. Between the date of this Agreement and the Closing, upon reasonable notice from Buyer, each Seller shall and shall cause each Purchased Entity to,

(a) provide Buyer and its Representatives with reasonable access to the offices, properties, appropriate officers, employees, Books and Records of each of the Businesses and (b) furnish Buyer and its Representatives with such additional financial, operating and other data and information of the Businesses, the Purchased Entities, the Purchased Assets and the Assumed Liabilities as may reasonably be requested, including to facilitate Buyer's review of compliance by the Sellers (with respect to the Businesses) and the Purchased Entities with the Laws referenced in Sections 3.8, 3.9, 3.10, 3.13, 3.14 and 3.15; provided, however, that any Seller or Purchased Entity may refuse Buyer and its Representatives access to the extent that such access would, in the reasonable determination of any Seller, unreasonably interfere with or result in unreasonable access to any business of any Seller or any portion of the offices or properties of any Seller that is not part of the Businesses. Within ten (10) Business Days of receipt of the final Phase I for the Schererville, Indiana (650 and 705 West 67th Place) property and the Cleveland, Ohio (15939 Industrial Parkway) property last to be received, Buyer Parent will deliver to Parent a scope of work ("Scope of Work") which Scope of Work shall, in Buyer Parent's judgment, have a reasonable basis in light of the final Phase I and observed condition of the properties. Buyer Parent may use any environmental consultant of its choosing, including ERM, in preparing and performing the Scope of Work. Within five (5) days of receipt of the proposed Scope of Work, Parent will provide Buyer Parent with any comments that it has on the applicable Scope of Work, if any, and the parties will work together in good faith to agree upon a final Scope of Work. Buyer agrees and acknowledges that the results of any such environmental assessment are not grounds for termination of this Agreement or the failure of any condition hereunder to the Closing. For the avoidance of doubt, Buyer, should it desire to do so, will be able to hire external advisors to perform and assist Buyer in intangible, entity, property, and pension valuations between the date hereof and the Closing Date. Sellers will provide Buyer and Buyer's external advisors with reasonable access to the appropriate people, financials, and facilities of the Sellers for a limited number of individuals representing Buyer to complete the valuations noted previously, review and value the fixed assets between the date hereof and the Closing Date, and prepare mapping from Sellers' accounts/departments to Buyer's accounts/departments. Further, the parties hereto shall provide to one another all cooperation reasonably necessary to prepare such financial information regarding the Businesses as required under any applicable securities Laws to which Buyer Parent is subject; provided, that Buyer Parent shall, as promptly as reasonably practicable upon request from Parent, reimburse the Sellers for all out-of-pocket costs (including fees and expenses of accountants and legal counsel) incurred by the Sellers or their Subsidiaries in connection with such cooperation. For the avoidance of doubt, the immediately preceding sentence shall not require cooperation by the Sellers or their Subsidiaries or Representatives to the extent that it would unreasonably interfere with the Businesses or the other businesses or operations of the Sellers or their Subsidiaries. Buyer acknowledges that it and its representatives and advisors remain bound by the Confidentiality Agreement, dated as of February 25, 2011, with Parent (as supplemented, the "Confidentiality Agreement").

5.2 Conduct of Businesses. Prior to the Closing, except as requested or consented to by Buyer in writing (which consent shall not be unreasonably withheld, conditioned or delayed), as specifically contemplated by this Agreement or the Ancillary Agreements, or as set forth on Schedule 5.2, each Seller shall and shall cause the Purchased Entities to conduct the Businesses in the ordinary course in all material respects. Except as specifically contemplated by this Agreement or the Ancillary Agreements, or as set forth on Schedule 5.2, each Seller shall not

and shall cause each Purchased Entity not to, do any of the following with respect to either Business without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed:

(a) mortgage, pledge or subject to any Encumbrance any Purchased Stock or any material Purchased Assets or material assets of the Purchased Entities, taken as a whole, other than Permitted Encumbrances;

(b) issue, sell or redeem any shares of capital stock, securities convertible into capital stock or warrants, options or other rights to acquire capital stock of any Purchased Entity;

(c) effect any recapitalization, reclassification, stock dividend, stock split or like change in its capitalization or pay any dividend with respect to the capital stock of any Purchased Entity;

(d) amend or modify the Organizational Documents of the Purchased Entities;

(e) become legally committed to any new capital expenditures requiring expenditures following the Closing Date in excess of $500,000 in the aggregate, except for any expenditures pursuant to projects for which work has already been commenced or committed or is otherwise contemplated in financial projections provided to Buyer;

(f) sell, assign or transfer any tangible assets included in the Purchased Assets that in the aggregate are material to the Businesses, taken as a whole, or tangible assets of the Purchased Entities that in the aggregate are material to the Businesses, taken as a whole, except, in each case, in the ordinary course of business consistent with past practices;

(g) sell, assign, exclusively license or transfer any material Intellectual Property Assets, except in the ordinary course of business consistent with past practices;

(h) except (i) in the ordinary course of business, or (ii) as may be required by applicable Law, Order or Contract, amend, modify or terminate any Employee Plan (other than in connection with the modification by any Seller or its Affiliates of any Employee Plan or related trust, in a manner affecting employees generally, including Business Employees, and as would not result in any material increase in the aggregate in the Liability of Buyer and its Affiliates);

(i) except (i) in the ordinary course of business, (ii) as may be required pursuant to any of the plans, policies, agreements or arrangements of the Sellers or the Purchased Entities, or (iii) as may be required by applicable Law, Order or this Agreement, enter into or amend any employment, consulting, severance, change of control or separation agreement or arrangement with, or materially alter the terms and conditions of employment of, any Business Employee or any other person in a manner that causes such person to become a Business Employee (other than in connection with a Business Employee's promotion to a vacant position in either of the Businesses at the same rate of compensation applicable to the employee formerly holding such position and as would not result in any material increase in the aggregate in the Liability of Buyer and its Affiliates);

(j) change any accounting policies, practices or procedures of either of the Businesses, except as required by GAAP or applicable Law;

(k) make, revoke or amend any material Tax election, change any method of Tax accounting or settle or compromise any Tax Contest (i) with respect to any Purchased Entity and, (ii) if any such action shall be binding on Buyer or its Affiliates after the Closing Date, create an Encumbrance on, or otherwise impact the Tax position of Buyer or its Affiliates with respect to, the Purchased Assets or the assets of the Purchased Entities;

(l) become a guarantor with respect to any obligation of any other Person or assume any obligation of any such Person for borrowed money, in each case, outside the ordinary course of business;

(m) incur any indebtedness for borrowed money or make any loan, advance or capital contribution to, or investment in, any other Person, in each case, outside the ordinary course of business;

(n) except in the ordinary course of business, (i) amend or terminate in any material respect any Material Contract or (ii) waive, release or assign any material right or claim under any Material Contract;

(o) pay, discharge, settle, compromise or otherwise waive, release, grant, assign, or license any pending or threatened Legal Proceeding or claim in an amount greater than $1,000,000; and

(p) enter into any contract or other agreement to do any of the foregoing.

Notwithstanding the foregoing and anything else in this Agreement to the contrary, none of the Sellers or the Purchased Entities shall be prohibited from (i) transferring any Cash held by such entities, whether or not used in the Businesses and whether by distribution, dividend, repayment of Indebtedness or otherwise, to Parent or any of its Subsidiaries prior to the Closing or (ii) settling any intercompany accounts payable, accounts receivable or Indebtedness prior to the Closing.

5.3 Required Governmental Consents, Approvals and Filings.

(a) Prior to the Closing and subject to the terms and conditions hereof, the parties hereto shall use their reasonable best efforts to (i) take, or cause to be taken, such action and do, or cause to be done, such things necessary, proper or advisable under any applicable Law, Order or otherwise, to consummate and make effective the Transactions as promptly as practicable, including the satisfaction of the conditions set forth in Section 6.1, and in the case of Buyer, the satisfaction of the conditions of the Sellers set forth in Section 6.3, and in the case of the Sellers, the satisfaction of the conditions of Buyer set forth in Section 6.2, (ii) obtain from any Governmental Entities any Consents required to be obtained by any party or any of their respective Subsidiaries, or to avoid any Legal Proceeding (including those in connection with any applicable Antitrust Law), in connection with the authorization, execution and delivery of this Agreement and the consummation of the Transactions, and (iii) as promptly as reasonably practicable after the date of this Agreement, make all necessary filings, and thereafter make any

other required submissions, and pay any fees due in connection therewith, with respect to this Agreement required under the HSR Act or any other applicable Antitrust Law and in any event will make all necessary filings under the HSR Act within a reasonable period after the date of this Agreement but in no event later than February 28, 2013. The parties hereto shall cooperate fully with each other in connection with (y) assessing whether any action by or in respect of, or filing with, any Governmental Entity is required, in connection with the consummation of the Transactions and (z) seeking any such Consents or making any such filings. The parties hereto shall furnish to each other all information required for any application or other filing under the rules and regulations of any applicable Law in connection with the Transactions.

(b) Without limiting the generality of anything contained in this Section 5.3, each party hereto shall: (i) give the other parties prompt notice prior to the making or commencement of any request or Legal Proceeding by or before any Governmental Entity with respect to the Transactions; (ii) keep the other parties informed as to the status of any such request or Legal Proceeding; (iii) promptly inform the other parties of any communication to or from the United States Federal Trade Commission ("FTC"), the Antitrust Division of the United States Department of Justice ("DOJ") or any other Governmental Entity regarding the Transactions; and (iv) comply with any reasonable information requests of the FTC, DOJ or other Governmental Entity. Each party hereto will consult and cooperate with the other parties and will consider in good faith the views of the other parties in connection with any filing, analysis, appearance, presentation, memorandum, brief, argument, opinion, or proposal made or submitted in connection with the Transactions. In addition, except as may be prohibited by any Governmental Entity or by any applicable Law or Order, in connection with any such request or Legal Proceeding, to the extent reasonably practicable, each party hereto will permit authorized Representatives of the other parties to be present at each substantive meeting or conference relating to such request or Legal Proceeding and to have access to and be consulted in connection with any substantive document, opinion or proposal made or submitted to any Governmental Entity in connection with such request or Legal Proceeding.

(c) Notwithstanding anything to the contrary in this Agreement, Buyer agrees to take all actions necessary to permit and cause the Closing to occur prior to the Outside Date, notwithstanding any requirement, request or condition sought or imposed by the FTC, the DOJ or any other Governmental Entity acting under any Antitrust Law, in each case, relating in any way to this Agreement or the consummation of the Transactions ("Government Conditions"), where the failure to satisfy any Government Condition would delay, prevent or make illegal such timely consummation of the Transactions, including (i) complying with any request, directions, determinations, requirements or conditions of the FTC, DOJ or other Governmental Entity acting under any Antitrust Law, (ii) complying with requests or undertakings to license, divest or hold separate any of its or any of its Subsidiaries' existing assets or businesses, (iii) complying with other limitations or other requirements of the FTC, DOJ or other Governmental Entity acting under any Antitrust Law with respect to the operation of the Businesses following the Closing Date, and (iv) taking all other actions necessary or reasonable, including instigating or defending any proceeding or litigation through appeal, making reasonable offers of compromise, and promptly removing or causing to be removed any direction, determination, requirement, injunction, Order, condition or limitation, that prevents or would prevent, or that makes illegal, the timely consummation of the Transactions, in each case, without adjustment to the consideration to be paid to the Sellers. For purposes of this provision, Government Conditions

shall include any such condition as it relates to, impacts or affects the United States located assets or United States revenues of Buyer or the Sellers. No such Government Condition shall exceed $5,000,000 in total value (as measured by book value of assets or total revenue in the most recently completed fiscal year), in the aggregate. The Sellers shall direct and fund the defense of any United States District Court litigation and through any and all appeals thereof required in connection with this provision. For the avoidance of doubt, it is the intention of the foregoing provisions that the Sellers and Buyer be assured that this Agreement and the Transactions may be consummated, notwithstanding any investigation, challenge or requirement of a remedy by the FTC, the DOJ or any other Governmental Entity acting under any Antitrust Law.

(d) Notwithstanding anything to the contrary in this Agreement, nothing contained in this Agreement shall give Buyer, directly or indirectly, the right to control or direct the operations of either of the Businesses prior to the Closing. Prior to the Closing, Sellers and the Purchased Entities shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over the operations of each of the Businesses.

5.4 Third Party Consents and Real Property Estoppels.

(a) The parties hereto shall give, and shall cause their respective Subsidiaries to give, any notices to third parties, and use, and shall cause their respective Subsidiaries to use, their reasonable best efforts to obtain any third party Consents (including with respect to any Contracts) required under any Material Contract or otherwise required to be disclosed on Schedule 3.2(b) or pursuant to Section 4.2(b); provided, that no Seller shall be required to make any payments, commence litigation or suffer any material burden in connection with obtaining any such third party Consents; provided, further, that no Seller shall be required to obtain any third party Consent for any Contract to the extent that the services or products provided by such Contract are being provided by Sellers pursuant to the Transition Services Agreement.

(b) The Sellers shall use their commercially reasonable efforts to obtain prior to Closing and provide to Buyer, estoppel certificates in form reasonably satisfactory to Buyer confirming the form and status of each Real Property Lease and Real Property Sublease from the counterparties to the same; provided that no Seller shall be required to make any payments or commence litigation in connection with obtaining such estoppels.

(c) Notwithstanding anything to the contrary in this Agreement, this Agreement shall not constitute an agreement to assign any Contract, lease or Permit related to either of the Businesses or any claim or right or any benefit arising thereunder or resulting therefrom if an attempted assignment thereof, without the consent of a third-party thereto, would constitute a default thereof or in any way adversely affect the rights of any Seller or Buyer thereunder. Except as set forth on Schedule 5.4(c), if such consent is not obtained, or if an attempted assignment thereof would be ineffective or would affect the rights thereunder so that Buyer would not receive all such rights, each applicable Seller will use its reasonable best efforts to enter into a mutually acceptable arrangement with Buyer, solely to the extent such an arrangement can replicate the rights under such Contract, lease or Permit, to provide to Buyer the benefits under any such Contract, lease, Permit or any claim or right, including enforcement for the benefit of Buyer of any and all rights of such Seller or its Subsidiaries against a third-party

thereto arising out of the default or cancellation by such third-party or otherwise, and Buyer shall assume all the burdens and obligations thereunder.

5.5 Current Evidence of Title to Real Property. At the request of Buyer, and at Buyer's sole cost and expense, Seller shall use commercially reasonable efforts to cooperate with and assist Buyer in seeking for each parcel, tract or subdivided land lot of real property included in the Asset Sale Real Property, and at its option, the customary local equivalent for the balance of the Owned Real Property:

(a) Title Commitment. From a title company selected by Buyer ("Title Insurer"), title commitments issued by the Title Insurer to insure title to such real property and insurable appurtenances, if any, in the amount of that portion of the Purchase Price allocated to such real property, covering such real property, naming Buyer or its designee as the proposed insured and having an effective date after the date of this Agreement, wherein Title Insurer will agree to issue an owners' policy of title insurance in the most recent ALTA form, without the standard printed exceptions (each a "Title Commitment") and complete legible copies of all recorded documents listed therein (the "Recorded Documents"). Buyer will be responsible for the cost for such Title Commitment and the title policy delivered pursuant to it. Buyer will be responsible for the cost of any endorsements to the title policy desired by Buyer.

(b) Survey. An ALTA/ASCM land title survey of each parcel of such real property, as-built, by a licensed land surveyor licensed and bearing a certificate, signed and sealed by the surveyor, that is selected by Buyer that reflects, without limitation, the locations of all building lines, easements and areas affected by any Recorded Documents affecting such real property as disclosed in the Title Commitment (identified by recording or filing information) as well as any encroachments onto the real property or by any part of the real property onto any easement area or adjoining property (each, a "Survey"). Buyer will be responsible for the cost of the Surveys.

5.6 Financing. Buyer shall take, or cause to be taken, all actions and do, or cause to be done, all things necessary to arrange the Financing as promptly as practicable following the date of this Agreement and to consummate the Financing on or before the Closing Date. Such actions shall include, but not be limited to, the following: (i) maintaining in effect the Commitment Letter; (ii) satisfying on a timely basis all Financing Conditions, which are in Buyer's control or which may be satisfied by Buyer; (iii) negotiating, executing and delivering Financing Documents that reflect the terms contained in the Commitment Letter (including any "market flex" provisions related thereto) or on such other terms acceptable to Buyer and its financing sources; and (iv) drawing such amount of the Financing as is necessary to enable Buyer to pay the cash portion of the Purchase Price contemplated by Section 1.5, in the event that the conditions set forth in Sections 6.1 and 6.2 and the Financing Conditions have been satisfied or, upon funding would be satisfied. Buyer shall give Parent prompt notice of any breach or repudiation by any party to the Commitment Letter of which Buyer or its Affiliates become aware. Without limiting Buyer's other obligations under this Section 5.6, if a Financing Failure Event occurs, Buyer shall (x) immediately notify Parent of such Financing Failure Event and the reasons therefor, (y) in consultation with Parent, obtain alternative financing from alternative financing sources, in an amount sufficient to pay the Purchase Price and any other amounts to be paid by it hereunder and to consummate the transactions contemplated by this

Agreement, as promptly as practicable following the occurrence of such event, and (z) obtain, and when obtained, provide Parent with a copy of, a new financing commitment that provides for such alternative financing. Neither Buyer nor any of its Affiliates shall take any action that would reasonably be expected to materially delay or prevent the consummation of the Transactions, including the Financing.

5.7 Notification. From the date of this Agreement until the earlier of the Closing or the termination of this Agreement pursuant to Article 10, each party hereto will give prompt written notice to the other parties of any inaccuracy or breach of such party's representation or warranties (in each case, as if such representation or warranty was being made by such party as of the date of such inaccuracy or breach) or covenants contained herein, in each case, which would cause a condition to a party's obligations to consummate the Transactions as set forth in Article 6 not to be satisfied. Such disclosures shall not affect the rights of any party under this Agreement, including with respect to indemnification.

5.8 Intercompany Arrangements. Except as set forth on Schedule 5.8, at or prior to the Closing, (a) the Sellers shall cause all Intercompany Arrangements to be terminated or otherwise cancelled and have no further force and effect as of the Closing and (b) the Sellers shall use reasonable best efforts to cause all Intercompany Payables and Intercompany Receivables to be settled or otherwise canceled.

5.9 Bulk Sales. Buyer acknowledges and agrees that the Sellers will not comply with the provisions of any bulk transfer Laws of any jurisdiction in connection with the Transactions and hereby waives, subject to Section 7.2(a), all claims related to non-compliance therewith.

5.10 Additional Buyer Entities. As soon as reasonably practicable following the date hereof, such as would not reasonably be expected to delay the expected Closing hereunder, Buyer Parent may, in consultation with Parent and taking into account the reasonable comments of Parent, designate one or more Subsidiaries of Buyer Parent that will be deemed a Buyer hereunder. Buyer Parent will cause each such Subsidiary (a) to duly execute and deliver all documents, agreements, and instruments required to be executed and delivered by such Subsidiary as a Buyer under Section 2.2 or otherwise under this Agreement and (b) if requested by Parent or any Governmental Entity, to execute a joinder to this Agreement. Each Subsidiary so designated as a Buyer pursuant to this Section 5.8 will be deemed a Buyer for all purposes hereunder.

5.11 German Transaction. Prior to the Closing, the Germany Entity Seller will sell, convey, transfer, assign or contribute to the Germany Entity all of its assets which would otherwise constitute Purchased Assets, and the Germany Entity will assume all Liabilities of the Germany Entity Seller which would otherwise constitute Assumed Liabilities, in each case, in a form and substance reasonably acceptable to Buyer Parent and Parent (the "German Transaction") and such assets and liabilities shall be considered the assets and liabilities of the Germany Entity for all purposes under this Agreement.

ARTICLE 6.
CONDITIONS TO CLOSING

6.1 Conditions to Obligations of Each Party. The obligation of each party hereto to consummate the Transactions and to take the other actions to be taken by such party at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived in writing in whole or in part by Parent and Buyer Parent):

(a) Laws. No Governmental Entity of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any Law or Order (whether temporary, preliminary or permanent) that is in effect and restrains, enjoins or otherwise prohibits or challenges the validity or legality of the sale of the Purchased Stock or the Purchased Assets.

(b) Antitrust Approvals. All Antitrust Approvals shall have been made or obtained, as the case may be.

6.2 Conditions to Obligations of Buyer Parent. The obligation of Buyer Parent to consummate the Transactions and to take the other actions to be taken by Buyer Parent at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived in writing in whole or in part by Buyer Parent):

(a) Representations and Warranties. The representations and warranties of Parent set forth in this Agreement in (i) Section 3.2(a) (Authority), disregarding all qualifications and exceptions contained therein relating to materiality or Material Adverse Effect, shall be true and correct in all respects (other than de minimis inaccuracies) as of the Closing Date as if made on and as of the Closing Date (other than such representations and warranties that are expressly made as of an earlier date, which need only be true and correct in all material respects at and as of such particular date); (ii) Section 3.3 (Capitalization) and Section 3.18 (Brokers and Finders), disregarding all qualifications and exceptions contained therein relating to materiality or Material Adverse Effect, shall be true and correct in all material respects as of the Closing Date as if made on and as of the Closing Date (other than such representations and warranties that are expressly made as of an earlier date, which need only be true and correct in all material respects at and as of such particular date); and (iii) Article 3 (other than as described in clauses (i) and (ii) above), disregarding all qualifications and exceptions contained therein relating to materiality or Material Adverse Effect, shall be true and correct as of the Closing Date as if made on and as of the Closing Date (other than such representations and warranties that are expressly made as of an earlier date, which need only be true and correct at and as of such particular date), except in this clause (iii) where the failure to be so true and correct would not, in the aggregate reasonably be expected to have a Material Adverse Effect, and Buyer Parent shall have received a certificate, dated as of the Closing Date, signed by an authorized officer of Parent to that effect.

(b) Covenants. The Sellers shall have performed in all material respects all covenants and agreements required to be performed by the Sellers under this Agreement and any applicable Ancillary Agreement at or prior to the Closing Date, and Buyer Parent shall have received a certificate, dated as of the Closing Date, signed by an authorized officer of Parent to that effect.

(c) Material Adverse Effect. Since the date of this Agreement, there shall not have occurred and be continuing a Material Adverse Effect.

6.3 Conditions to Obligations of the Sellers. The obligation of the Sellers to consummate the Transactions and to take the other actions to be taken by the Sellers at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived in writing in whole or in part by the Sellers):

(a) Representations and Warranties. The representations and warranties of Buyer Parent set forth in (i) Sections 4.2(a) (Authority), 4.4 (Brokers or Finders) and 4.7 (Solvency) shall be true and correct in all material respects as of the Closing Date as if made on and as of the Closing Date (other than such representations and warranties that are expressly made as of an earlier date, which need only be true and correct in all material respects at and as of such particular date), and (ii) Article 4 (other than as described in clause (i) above), disregarding all qualifications and exceptions contained therein relating to materiality or material adverse effect, shall be true and correct as of the Closing Date as if made on and as of the Closing Date (other than such representations and warranties that are expressly made as of an earlier date, which need only be true and correct at and as of such particular date), except in this clause (ii) where the failure to be so true and correct would not, in the aggregate, reasonably be expected to have a material adverse effect on Buyer's ability to consummate the Transactions, and Parent shall have received a certificate, dated as of the Closing Date, signed by an authorized officer of Buyer Parent to such effect.

(b) Covenants. Buyer Parent and Buyer shall have performed in all material respects all covenants and agreements required to be performed by them under this Agreement at or prior to the Closing Date, and Parent shall have received a certificate, dated as of the Closing Date, signed by an authorized officer of Buyer Parent to such effect.

ARTICLE 7.
INDEMNIFICATION; REMEDIES

7.1 Survival of Representations and Warranties. The representations and warranties, and the covenants and agreements of the parties to be performed prior to the Closing Date, set forth in this Agreement and in any certificates delivered at the Closing in connection with this Agreement shall survive the Closing until the eighteen (18) month anniversary of the Closing Date (the "Survival Date") and shall thereafter be of no further force or effect; provided, however, that (i) with respect to any Losses resulting from the breach of any representations or warranties contained in Section 3.8 (Taxes), the Survival Date shall be the date of the expiration of the applicable statute of limitations, (ii) with respect to any Losses resulting from the breach of any representations and warranties contained in Section 3.9 (Employees and Employee Benefits), the Survival Date shall be the third (3rd) anniversary of the Closing Date, (iii) with respect to any Losses resulting from the breach of any representations and warranties contained in Section 3.13 (Environmental Matters), the Survival Date shall be the fifth (5th) anniversary of the Closing Date, and (iv) with respect to any Losses resulting from the breach of any representations or warranties contained in Section 3.2(a) (Authority), Section 3.3 (Capitalization), Section 3.5(a) (Personal Property), Section 3.6(a)(i) (Real Property), Section 3.15(b)(i) (Intellectual Property), Section 3.18 (Brokers or Finders), Section 4.1 (Organization of

Buyer), Section 4.2(a) (Authority) and Section 4.4 (Brokers or Finders), the Survival Date shall be indefinite (the representations listed in clauses (i) and (iv) being the "Fundamental Representations"). Notwithstanding the foregoing, any covenants of any party which by their terms are to be performed or observed on or following the Closing shall survive the Closing until fully performed or observed in accordance with their terms. Except as expressly provided in the immediately preceding sentence, (a) any claim for indemnification made hereunder before the Survival Date of such claim will not terminate before final determination and satisfaction of such claim, and (b) no claim for indemnification hereunder may be made after the expiration of the applicable Survival Date.

7.2 Indemnification by Sellers.

(a) Subject to provisions of this Article 7, from and after the Closing Date, each Seller, jointly and severally, shall indemnify Buyer Parent, Buyer, their respective Affiliates and their respective current and former officers, directors, partners, members, employees, successors and permitted assigns (collectively, the "Buyer Indemnified Parties") against any losses, out-of-pocket costs or expenses (including reasonable attorneys' fees and costs), liabilities or other damages (collectively, "Losses") incurred by or asserted against the Buyer Indemnified Parties as a result of or to the extent relating to (i) any breach by Parent of any representation and warranty contained in Article 3 or any certificate delivered by or on behalf of the Sellers hereunder at or prior to the Closing, (ii) any breach of any covenant or agreement of a Seller contained in this Agreement, (iii) any Retained Liability, (iv) any Environmental Claim to the extent it relates to any act, omission, event, condition, or circumstance occurring or existing on or prior to the Closing Date, (v) the Sellers' noncompliance with any Bulk Sales Legislation to the extent relating to Retained Liabilities, (vi) (A) any Taxes of any Purchased Entity with respect to any Pre-Closing Tax Period and (B) the Taxes of any Person (other than a Purchased Entity) with respect to which any Purchased Entity is liable under Treasury Regulation §1.1502-6 (or any similar provision of state, local or foreign Law), as a transferee or successor, by contract (excluding customary Tax indemnification provisions in commercial contracts not primarily relating to Taxes), or otherwise, (vii) a claim for plan funding or withdrawal liability by or to a defined benefit pension plan maintained by or contributed to by a Seller or an Affiliate of a Seller governed by ERISA (excluding any withdrawal liability due to actions or omissions of Buyer and its Affiliates), (viii) any pension liability in connection with inactive employees as of the Closing Date of the Germany Entity Seller or the Germany Entity, and (ix) all Liabilities to the extent arising out of the operation of the Businesses by a Purchased Entity prior to Closing or any act, omission, event, condition, or circumstance occurring or existing prior to Closing with respect to a Purchased Entity (including product liability claims, infringement of third-party Intellectual Property, environmental matters, employment and labor matters, and Legal Proceedings), in each case with respect to this clause (ix), to the extent that such Liabilities would have constituted Retained Liabilities had such Purchased Entity transferred its assets as a Seller party hereto.

(b) Notwithstanding any other provision in this Agreement to the contrary, no Seller shall have any liability under Section 7.2(a)(i) above, unless the aggregate of all Losses relating thereto for which Sellers would be liable, but for this Section 7.2(b), exceeds on a cumulative basis Three Million Five Hundred Thousand Dollars ($3,500,000) (the "Deductible"), and then only to the extent such Losses exceed the Deductible; provided that the

Sellers' aggregate liability under Section 7.2(a)(i) shall in no event exceed Fifty-Six Million Two Hundred Fifty Thousand Dollars ($56,250,000) (the "Cap"); provided, further, that the Cap and the Deductible shall not apply to any Losses resulting from breaches of any Fundamental Representation or fraud. In no event shall the aggregate liability of the Sellers for all Losses claimed by Buyer Indemnified Parties against the Sellers exceed the Purchase Price.

(c) Notwithstanding any other provision in this Agreement to the contrary, from and after the Closing Date, no Seller shall be liable to, or indemnify, any Buyer Indemnified Party for any Losses (i) to the extent that such Losses result from or arise out of actions taken by a Buyer Indemnified Party or any Purchased Entity or any of their respective Affiliates from and after the Closing Date; provided that, subject to Section 7.2(d), discovery by Buyer of pre-existing conditions or events shall not constitute "actions taken" by Buyer resulting in disqualification of an indemnity claim, (ii) that are punitive, special, consequential, incidental, exemplary, in the nature of lost profits, or any diminution in value of property or equity (except, in any such case, to the extent that such damages are awarded to a third party in a Third Party Claim), or (iii) to the extent that such matter was taken into account in the final determination of either (A) the OCP Net Working Capital Amount adjustment pursuant to Section 1.6(b)(ii) hereof or (B) the DES Net Working Capital Amount adjustment pursuant to Section 1.6(b)(iii) hereof. The Buyer Indemnified Parties shall not use "multiple of profits" or "multiple of cash flow" or any similar valuation methodology in calculating the amount of any Losses.

(d) Notwithstanding any other provision in this Agreement to the contrary, any claim for indemnity asserted by a Buyer Indemnified Party against any Seller based on any of (A) Section 7.2(a)(i) in respect of a breach of a representation and warranty contained in Section 3.13, (B) Section 7.2(a)(iv), or (C) Sections 7.2(a)(iii) or 7.2(a)(ix) (to the extent any such claim constitutes an Environmental Claim) (an "Environmental Indemnity Claim"), but excluding, for purposes of compliance with clause (iii) below, any claim for indemnity asserted by a Buyer Indemnified Party resulting from any condition discovered as a result of the work performed under the Scope of Work, shall be subject to the following limitations:

(i) The Buyer Indemnified Party shall exercise reasonable best efforts to mitigate the Losses arising from the Environmental Indemnity Claim, consistent with the requirements of Environmental Law in light of the circumstances under which the Losses were incurred.

(ii) In responding to the claim, event, condition, or circumstance giving rise to the Environmental Indemnity Claim, the Buyer Indemnified Party shall undertake any environmental response activities, including without limitation sampling, investigation, analysis, assessment, removal, remediation, or other similar work, in the most cost-effective and efficient manner consistent with compliance with Environmental Law.

(iii) Following the Closing, unless (A) required to do so by a Governmental Entity or to the extent necessary to comply with Environmental Law, (B) in response to a third party providing credible information regarding an environmental hazard at such Facility, (C) in response to any event, condition, or circumstance constituting an environmental hazard of which Buyer becomes

aware without looking for and which Buyer reasonably believes compels it to take environmental response activities in order to avoid violating Laws or creating additional Losses, or (D) required to do so in connection with a sale of such Facility, Buyer shall not conduct any environmental response activities, including sampling, investigation, analysis, assessment, removal, remediation, or other similar work, concerning the soil, groundwater, surface water or other environmental medium at, under, or adjacent to any Facility.

No Seller shall be liable for that portion of Losses included in an Environmental Indemnity Claim which result from the Buyer Indemnified Party's breach of any of the foregoing limitations. In the event Buyer fails to adhere to any of the foregoing limitations, a Seller's liability for the Environmental Indemnity Claim shall exclude those Losses, if any, that the Buyer Indemnified Party would not have incurred had Buyer adhered to such limitations. Any Buyer Indemnified Party asserting an Environmental Indemnity Claim shall promptly share with Parent all non-privileged material correspondence (and, upon execution of a customary joint defense agreement, upon which the parties hereto agree that they shall mutually and reasonably agree, all privileged material correspondence) relating to such Environmental Indemnity Claim and the resulting Losses for which indemnity is sought, including material correspondence with any governmental agencies or third parties, and shall invite Parent and/or offer Parent a reasonable opportunity to attend all meetings with the party or parties making an Environmental Claim connected to such Losses.

(e) The Buyer Indemnified Parties shall take, and shall cause the Purchased Entities to use all commercially reasonable efforts to mitigate all Losses upon and after becoming aware of any event which could reasonably be expected to give rise to Losses.

(f) The Buyer Indemnified Parties shall not be entitled to recover any Losses relating to any matter arising under one provision of this Agreement to the extent that the Buyer Indemnified Parties have already recovered Losses with respect to such matter pursuant to other provisions of this Agreement.

(g) The representations made in Section 3.8 of this Agreement are not intended to serve as representations to, or a guarantee of, nor can they be relied upon with respect to, Taxes attributable to any Post-Closing Tax Periods, or Tax positions taken after the Closing Date.

7.3 Indemnification by Buyer.

(a) From and after the Closing Date, Buyer Parent and Buyer, jointly and severally, shall indemnify Sellers, their respective Affiliates and their respective current and former officers, directors, partners, members, employees, successors and permitted assigns (collectively, the "Seller Indemnified Parties") against any Losses which the Seller Indemnified Parties suffer as a result of: (i) any breach of any representation or warranty of Buyer Parent or Buyer under this Agreement or any certificate delivered by or on behalf of Buyer Parent or Buyer hereunder, (ii) any non-fulfillment or breach of any covenant, agreement or other provision of Buyer Parent or Buyer set forth in this Agreement, and (iii) any Assumed Liabilities.

(b) Notwithstanding any other provision in this Agreement to the contrary, neither Buyer Parent nor Buyer shall have any liability under Section 7.3(a)(i) above, unless the aggregate of all Losses relating thereto for which Buyer Parent and Buyer would be liable, but for this Section 7.3(b), exceeds the Deductible, and then only to the extent such Losses exceed the Deductible; provided that Buyer Parent's and Buyer's aggregate liability under Section 7.3(a)(i) shall in no event exceed the Cap; provided, further, that the Cap and the Deductible shall not apply to any Losses resulting from breaches of any Fundamental Representation.

(c) Notwithstanding any other provision in this Agreement to the contrary, from and after the Closing Date, neither Buyer Parent nor any Buyer shall be liable to, or indemnify, any Seller Indemnified Party for any Losses (i) to the extent that such Losses result from or arise out of actions taken by a Seller Indemnified Party or any Purchased Entity or any of their respective Affiliates from and after the Closing Date, or (ii) that are punitive, special, consequential, incidental, exemplary, in the nature of lost profits, or any diminution in value of property or equity (except, in any such case, to the extent that such damages are awarded to a third party in a Third Party Claim). The Seller Indemnified Parties shall not use "multiple of profits" or "multiple of cash flow" or any similar valuation methodology in calculating the amount of any Losses.

(d) The Seller Indemnified Parties shall take all commercially reasonable efforts to mitigate all Losses upon and after becoming aware of any event which could reasonably be expected to give rise to Losses.

(e) The Seller Indemnified Parties shall not be entitled to recover any Losses relating to any matter arising under one provision of this Agreement to the extent that the Seller Indemnified Parties have already recovered Losses with respect to such matter pursuant to other provisions of this Agreement.

7.4 Manner of Payment. Any indemnification payment pursuant to this Article 7 shall be effected by wire transfer of immediately available funds from the applicable indemnifying party to an account designated by each applicable indemnified party within twenty (20) days after the determination thereof.

7.5 Defense of Claims.

(a) Third Party Claims. Any Person making a claim for indemnification under Section 7.2 or Section 7.3 (an "Indemnitee") shall notify the indemnifying party (an "Indemnitor") of the claim in writing promptly after receiving notice of any action, lawsuit, proceeding, investigation or demand against the Indemnitee by a third party (a "Third Party Claim"), describing the Third Party Claim, the amount thereof (if known and quantifiable) and the basis thereof in reasonable detail; provided that the failure to so notify an Indemnitor shall not relieve the Indemnitor of its obligations hereunder except to the extent that the Indemnitor has been damaged by such failure. Any Indemnitor shall be entitled to participate in the defense of such Third Party Claim giving rise to an Indemnitee's claim for indemnification at such Indemnitor's expense, and at its option shall be entitled to assume the defense thereof by appointing a reputable counsel reasonably acceptable to the Indemnitee to be the lead counsel in connection with such defense; provided that the Indemnitee shall be entitled to participate in the

defense of such Third Party Claim and to employ counsel of its choice for such purpose; provided, however, that the fees and expenses of such separate counsel shall be borne by the Indemnitee and shall not be recoverable from such Indemnitor under this Article 7 unless the Third Party Claim involves, upon advice of counsel of the Indemnitee, a conflict of interest between the Indemnitor and the Indemnitee in which case the reasonable costs of a single counsel (plus local counsel) for all Indemnitees may be recoverable from the Indemnitor. Notwithstanding the foregoing, no Indemnitor shall be entitled to assume the conduct and control of the defense or settlement of a Third Party Claim if (a) in the reasonable judgment of the Indemnitee the aggregate amount of the potential obligations of the Indemnitee regarding such Third Party Claim exceeds twice the amount of the remaining portion of the Cap, provided that the restrictions in this clause (a) shall be applicable solely in connection with an indemnity claim under Section 7.2(a)(i) except for claims under Section 7.2(a)(i) involving Fundamental Representations, or (b) such Third Party Claim seeks criminal penalties or non-monetary relief. If the Indemnitor shall control the defense of any such Third Party Claim, the Indemnitor shall be entitled to settle such Third Party Claim; provided that the Indemnitor shall obtain the prior written consent of the Indemnitee (which consent shall not be unreasonably withheld) before entering into any settlement of a Third Party Claim if, pursuant to or as a result of such settlement or cessation, injunctive or other equitable relief will be imposed against the Indemnitee, if such settlement does not expressly and unconditionally release the Indemnitee from all liabilities and obligations with respect to such Third Party Claim or, solely in the case of an indemnity claim under Section 7.2(a)(i) except for claims under Section 7.2(a)(i) involving Fundamental Representations, if such settlement involves payment of money in excess of the remaining portion of the Cap. If the Indemnitor assumes such defense, the Indemnitor shall not be liable for any amount required to be paid by the Indemnitee that exceeds, where the Indemnitee has unreasonably withheld or delayed consent in connection with the proposed compromise or settlement of a Third Party Claim, the amount for which that Third Party Claim could have been settled pursuant to that proposed compromise or settlement. In all cases, the Indemnitee shall provide its reasonable cooperation with the Indemnitor in defense of Third Party Claims, including by making employees, information and documentation reasonably available. If the Indemnitor shall not assume the defense of any such Third Party Claim, the Indemnitee may defend against such Third Party Claim as it deems appropriate; provided that the Indemnitee may not settle any such matter without the written consent of the Indemnitor (which consent shall not be unreasonably withheld) if the Indemnitee is seeking or will seek indemnification hereunder with respect to such matter.

(b) Other Claims. Any Indemnitee shall notify the Indemnitor of any claim other than a Third Party Claim in writing promptly after receiving knowledge of the basis for such claim, describing the claim, the amount thereof (if known and quantifiable) and the basis thereof in reasonable detail; provided that the failure to so notify an Indemnitor shall not relieve the Indemnitor of its obligations hereunder except to the extent that the Indemnitor has been damaged by such failure.

7.6 Determination of Loss Amount. The amount of any Loss subject to indemnification under Section 7.2 or Section 7.3 shall be calculated taking into account (i) any Tax Benefit actually realized in cash by the Indemnitee on account of such Loss, (ii) any reserves or liabilities set forth in the Financial Statements and/or Closing Statement relating to such Loss and (iii) any insurance proceeds or other amounts under indemnification agreements received by

the Indemnitee on account of such Loss. If the Indemnitee receives a Tax Benefit (net of any tax detriment) on account of such Loss after an indemnification payment is made to it, the Indemnitee shall promptly pay to the Person or Persons that made such indemnification payment the amount of such Tax Benefit at such time or times as and to the extent that such Tax Benefit is realized by the Indemnitee. For purposes hereof, "Tax Benefit" shall mean any refund of Taxes actually received or reduction in the amount of Taxes which otherwise would be paid by the Indemnitee, in each case computed at the highest marginal tax rates applicable to the recipient of such benefit. The Indemnitee shall use its commercially reasonable efforts to seek full recovery under all insurance policies and/or indemnification agreements covering any Loss to the same extent as they would if such Loss were not subject to indemnification hereunder. In the event that an insurance or other recovery is received by any Indemnitee with respect to any Loss for which any such Person has been indemnified

hereunder, then a refund equal to the lesser of (a) the aggregate amount of the recovery (net of any reasonable third-party costs actually incurred pursuing or obtaining such recovery, including increased insurance premiums (if any) directly resulting from such recovery) or (b) the amount of indemnification payments previously made by the Indemnitors shall be made promptly to the Indemnitors that provided such indemnity payments to such Indemnitee. For Tax purposes, the parties hereto agree to treat all payments made under this Article 7 as adjustments to the final Purchase Price.

7.7 Termination of Indemnification. The obligations to indemnify and hold harmless a party hereto in respect of a breach of representation, warranty or covenant hereunder shall terminate when the applicable representation or warranty or covenant terminates pursuant to Section 7.1; provided, however, that such obligations to indemnify and hold harmless shall not terminate with respect to any item as to which the party to be indemnified shall have, prior to the expiration of the applicable survival period, previously made a claim by delivering a written notice (stating in reasonable detail the nature of, and factual and legal basis for, any such claim for indemnification, and the provisions of this Agreement upon which such claim for indemnification is made) to the indemnifying party. The obligations to indemnify and hold harmless a party in respect to Section 7.2(a)(iii), Section 7.2(a)(iv), Section 7.2(a)(v), Section 7.2(a)(vi), Section 7.2(a)(vii), Section 7.2(a)(viii), Section 7.2(a)(ix), Section 7.3(a)(iii) or Section 7.3(a)(iv) shall survive in accordance with their terms.

7.8 Limitation on Recourse. No claim shall be brought or maintained by any Buyer Indemnified Party or Buyer or any of its Subsidiaries or by any Seller Indemnified Party or any Seller or any of its Subsidiaries or any of their respective successors or permitted assigns against any current or former officer, director, employee or Affiliate of any other party (which is not otherwise expressly identified as a party hereto), and no recourse shall be brought or granted against any of them, by virtue of or based upon any alleged misrepresentation or inaccuracy in or breach of any of the representations, warranties or covenants of any party hereto set forth or contained in this Agreement or any exhibit or schedule hereto or any certificate delivered hereunder.

7.9 Exclusivity. Except as provided in Sections 11.12 and 11.13 or otherwise set forth in this Agreement, the indemnification provided in this Article 7 shall be the sole and exclusive remedy for money damages (but not for injunctive or other non-monetary equitable relief) of any Seller Indemnified Party and any Buyer Indemnified Party in respect of matters addressed in Sections 7.2 and 7.3, respectively, except with respect to breaches of

representations or warranties by any party hereto that constitute fraud or intentional misrepresentation in connection with the Transactions, as to which the parties shall have, in addition to the indemnification provisions of this Article 7, all of their rights and remedies at law.

ARTICLE 8.
CERTAIN TAX MATTERS

8.1 Books & Records; Cooperation. Buyer, on one hand, and the Sellers, on the other hand, agree to furnish or cause to be furnished to the other, upon request, as promptly as practicable, such information and assistance related to the Purchased Entities and the Purchased Assets, including access to books and records in its possession, as is reasonably necessary for the filing of all Tax Returns by Buyer or Sellers, the making of any election related to Taxes, the preparation for any audit by any Tax authority, and the prosecution or defense of any claim, suit or proceeding related to any Taxes. Each of Buyer, on one hand, and the Sellers, on the other hand, shall retain all books and records with respect to Taxes pertaining to the Purchased Entities and the Purchased Assets (other than books and records related solely to Excluded Assets or Retained Liabilities) until the applicable statute of limitation period has expired. Buyer, on one hand, and the Sellers, on the other hand, shall cooperate fully with the other in the conduct of any audit, litigation or other Legal Proceeding related to Taxes involving the Purchased Entities and the Purchased Assets (other than Taxes related solely to Excluded Assets or Retained Liabilities). Buyer, on one hand, and the Sellers, on the other hand, further agree, upon request from one party and provided that it does not create (and might not potentially create) any significant burden to the other party and at the expense of the requesting party, to use their commercially reasonable efforts to obtain any certificate or other document from any Governmental Entity or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including with respect to the Transactions).

8.2 Transfer Taxes and VAT.

(a) Buyer, on the one hand, and Parent (on behalf of Sellers), on the other hand, shall be equally liable for all sales, use, transfer, land value, documentary, stamp, registration, conveyance, goods and services, harmonized sales or other similar Taxes imposed by any Tax jurisdiction domestic or foreign (excluding VAT), and all recording or filing, notarial fees and other similar costs incurred in connection with this Agreement and the Transactions (collectively, "Transfer Taxes"). The Purchase Price shall not include any Transfer Taxes, and such Transfer Taxes shall be paid by Buyer and Parent in accordance with the terms of this Section 8.2.

(b) All Tax Returns or other documentation related to such Taxes ("Transfer Tax Returns") shall be filed by the party required to file each such Transfer Tax Return pursuant to applicable Law or the provisions of any agreement entered into in accordance with Section 2.3(e). The party required to file a Transfer Tax Return shall submit such Transfer Tax Return (with copies of any relevant schedules, work papers and other documentation) to the non-filing party for such party's review, comment, approval and, as the case may be, execution not less than twenty (20) days before the due date (including extensions) for the filing of such Transfer Tax Return. If one party is required to file a Transfer Tax Return or otherwise pay a Transfer Tax bill, the other party (Buyer or Parent, as the case may be) shall pay half of the Transfer

Taxes owing with respect to such Transfer Tax Return to such party no later than the earlier of five (5) days prior to the due date of such Transfer Tax Return.

(c) Except as otherwise provided in Section 8.10 and Section 8.11, with respect to assets transferred by a Seller resident in the European Union, Switzerland or in a jurisdiction which has adopted a VAT regime similar to the provisions of the VAT Directive, unless stated otherwise in the Preliminary Allocation, the parties hereto assume that the transactions contemplated by this Agreement do constitute a supply of goods and that Article 19 of the VAT Directive or similar applicable local Law provisions do not apply. Based on this assumption, the Preliminary Allocation sets forth the assets in respect of which VAT is owed by Buyer to the relevant Sellers together with the Purchase Price allocated to such assets. Where any VAT set forth in the Preliminary Allocation is recoverable by Buyer, the relevant Sellers shall issue valid invoices meeting the requirements of the applicable VAT Law and on a basis consistent with the Preliminary Allocation and Buyer shall pay to Parent such VAT in addition to the Purchase Price allocated to such assets on the later of Closing or receipt of a valid VAT invoice. Where any VAT set forth in the Preliminary Allocation is irrecoverable by Buyer, the relevant Sellers shall issue

valid invoices meeting the requirements of the applicable VAT Law and on a basis consistent with the Preliminary Allocation and Buyer shall pay to Parent fifty percent of such VAT in addition to the Purchase Price on the later of Closing and receipt of a valid VAT invoice. If and to the extent the Final Allocation reflects values of the Purchased Assets deviating from the amounts listed in the Preliminary Allocation, the relevant Sellers shall issue adjusted valid invoices meeting the requirements of the applicable VAT Law, and (i) where the purchase price for the assets is increased and (x) VAT is recoverable by Buyer, Buyer shall pay to Parent an amount equal to any additional VAT that becomes due as a result of such increase, with payment to be made by Buyer on receipt of an appropriate VAT invoice, or (y) VAT is irrecoverable by Buyer, Buyer shall pay to Parent an amount equal to fifty percent (50%) of any additional VAT that becomes due as a result of such increase, with payment to be made by Buyer on receipt of an appropriate VAT invoice, or (ii) where the purchase price for any assets is decreased, Parent or the appropriate Seller shall issue a VAT credit note or equivalent to Buyer and shall, to the extent the Excess VAT is actually recovered and retained by it or is creditable by Parent or such appropriate Seller against any VAT liability of Parent or such appropriate Seller, (x) if VAT is recoverable by Buyer, pay such Excess VAT to Buyer, or (y) if VAT is irrecoverable by Buyer, pay fifty percent (50%) of such Excess VAT to Buyer, and for the purposes of this Section 8.2(c)(ii) "Excess VAT" means the VAT actually paid (after deducting any previous refund under this Section 8.2(c)(ii)) by Buyer that would not have been payable had the purchase price for the assets at all times reflected the relevant adjustment or amendment in allocation provided that no payment shall be due under this Section 8.2(c)(ii) from Parent or such appropriate Seller where any part of the consideration (inclusive of VAT) payable pursuant to this Agreement which is subject to adjustment under this Section 8.2(c)(ii) remains outstanding. The adjusted invoices shall be delivered within ten (10) Business Days after the Final Allocation has been determined pursuant to Section 1.7(a), and the respective VAT amount shall be repaid or paid, as the case may be, within ten (10) Business Days after delivery of the respective invoice. If a relevant Tax authority decides that contrary to the assumptions made in the Preliminary Allocation one or more of the transactions contemplated by this Agreement do not constitute a supply of goods pursuant to Article 19 of the VAT Directive or similar applicable local Law provisions, then the relevant Seller shall issue within ten (10) Business Days after a binding decision of the relevant Tax authority is available, adjusted valid invoices

meeting the requirements of the applicable VAT Law, and the Buyer shall make a corresponding VAT payment to the relevant Sellers within ten (10) Business Days after receipt of the adjusted invoice by the Buyer or, as the case may be, the relevant Sellers shall make a VAT repayment to the Buyer within five (5) Business Days after receipt by the relevant Seller of the respective repayment from the relevant Tax authority.

8.3 Property Taxes. Sellers shall be responsible for and shall promptly pay when due all Property Taxes levied with respect to the Purchased Assets attributable to any Pre-Closing Tax Period, and Buyer shall be responsible for and shall promptly pay when due all Property Taxes levied with respect to the Purchased Assets attributable to any Post-Closing Tax Period. All Property Taxes levied with respect to the Purchased Assets for the Straddle Period shall be apportioned between Buyer and Sellers based on the number of days of such Straddle Period included in the Pre-Closing Tax Period and the number of days of such Straddle Period included in the Post-Closing Tax Period. Sellers shall be liable for the proportionate amount of such Property Taxes that is attributable to the Pre-Closing Tax Period, and Buyer shall be liable for the proportionate amount of such Property Taxes that is attributable to the Post-Closing Tax Period. Upon receipt of any bill for such Property Taxes, Buyer or Parent (on behalf of Sellers), as applicable, shall present a statement to the other setting forth the amount of reimbursement to which each is entitled under this Section 8.3 together with such supporting evidence as is reasonably necessary to calculate the proration amount. The proration amount shall be paid by the party owing it to the other within ten (10) days after delivery of such statement. In the event that Buyer or any Seller makes any payment for which it is entitled to reimbursement under this Section 8.3, the applicable party shall make such reimbursement promptly but in no event later than ten (10) days after the presentation of a statement setting forth the amount of reimbursement to which the presenting party is entitled along with such supporting evidence as is reasonably necessary to calculate the amount of reimbursement.

8.4 Preparation of Tax Returns. Subject to Section 8.2 and Section 8.3:

(a) Tax Periods Ending On or Before the Closing Date — Nonconsolidated Tax Returns. Except as otherwise provided in Section 8.2, Section 8.3 and Section 8.4(b), Buyer shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for each of the Purchased Entities and with respect to the Purchased Assets for all Tax periods ending on or prior to the Closing Date which are filed after the Closing Date, which Tax Returns shall be prepared and filed in a manner consistent with past practice, except as otherwise required by Law. Buyer shall submit such Tax Returns (with copies of any relevant schedules, work papers and other Tax Return documentation) to Parent for Parent's review, comment, and approval not less than forty-five (45) days before the due date (including extensions) for the filing of each such Tax Return. Parent's approval shall not be unreasonably withheld, conditioned or delayed. Buyer shall cause the Purchased Entities to pay on their due date to the relevant Tax authorities any Taxes as due on such Tax Returns; provided that Parent (on behalf of Sellers) shall reimburse Buyer for any such Taxes paid within twenty (20) days of payment by such Purchased Entities to the extent such Taxes are subject to Sellers' obligation to indemnify Buyer pursuant to Section 7.2(a).

(b) Tax Periods Ending On or Before the Closing Date — Parent Consolidated, Combined or Unitary Tax Returns. For all Pre-Closing Tax Periods, Parent shall cause the

Purchased Entities (other than the Germany Entity) to join in any consolidated, unitary or combined Tax Return of Parent or of any Subsidiary of Parent, as applicable, to the extent permitted by Law and consistent with past practice, and Parent or such Subsidiary of Parent shall pay any Taxes attributable to the Purchased Entities and with respect to the Purchased Assets shown as due on such Tax Returns and, where applicable, the Purchased Entities will promptly pay to Parent or to such Subsidiary of Parent any amount that they are liable to pay in accordance with such consolidation Tax regime or any Tax consolidation agreement concluded with Parent or such Subsidiary of Parent, as the case may be; provided that, prior to any such payment is made, Parent shall promptly provide Buyer a computation of the amounts owed to Parent by the Purchased Entities for Buyer's review, comment and approval. Buyer's approval shall not be unreasonably withheld, conditioned or delayed. All such Tax Returns shall be prepared and filed in a manner consistent with past practice, except as otherwise required by any applicable Laws and regulations thereunder, or by any development in respect of the interpretation of such Laws and regulations made by a competent court of law or by an authority with power to impose Taxes.

(c) Straddle Periods. Except as otherwise provided in Section 8.4(b), Buyer shall prepare or cause to be prepared and file or cause to be filed any Tax Returns of any of the Purchased Entities or with respect to the Purchased Assets for all Straddle Periods. Buyer shall submit such Tax Returns (with copies of any relevant schedules, work papers and other Tax Return documentation) to Parent for Parent's review, comment, and approval not less than forty-five (45) days before the due date (including extensions) for the filing of each such Tax Return. Parent's approval shall not be unreasonably withheld, conditioned or delayed. For purposes of this Agreement, Property Taxes for any Straddle Period shall be allocated as described in Section 8.3, and

for all other Taxes, the portion of such Taxes allocable to the period ending on the Closing Date shall be deemed equal to the amount which would be payable if the relevant Straddle Period ended on the Closing Date.

(d) Disputes. Parent and Buyer shall consult with each other and attempt in good faith to resolve any issues arising as a result of review of any of the Tax Returns or items thereof as provided in this Section 8.4 and, if they are unable to do so, the disputed items shall be resolved (within a reasonable time, taking into account the deadline for filing any such Tax Return) by the Independent Auditor. Upon resolution of all such items, the relevant Tax Return or shall be timely filed on that basis. The costs, fees and expenses of the Independent Auditor will be borne one-half by Buyer and one-half by Parent.

8.5 Characterization of Payments. Any indemnification payments made pursuant to this Agreement shall constitute an adjustment of the Purchase Price paid for the Purchased Stock and the Purchased Assets for Tax purposes and shall be treated as such by Buyer and the Sellers on their Tax Returns to the extent permitted by Law.

8.6 Actions After Closing.

(a) After the Closing and on or before the last day of the taxable year in which the Closing occurs, except with the prior written consent of Parent, the Buyer shall not, and shall cause each Affiliate of the Buyer and each Purchased Entity not to, (i) sell or otherwise transfer any assets of a Purchased Entity other than in the ordinary course of business; (ii) make any

distribution in cash or in kind from a Purchased Entity; (iii) redeem any shares or other equity interests of a Purchased Entity; (iv) permit or cause the merger, consolidation or liquidation of any Purchased Entity; (v) permit or cause any Purchased Entity to purchase any shares of capital stock or other equity interests of the Buyer or any Affiliate of the Buyer; or (vi) make any United States federal tax entity classification election with respect to any Purchased Entity with an effective date before the first day of the first taxable year following the taxable year in which the Closing occurs. To the extent Buyer takes, or causes any Affiliate of the Buyer or any Purchased Entity to take, any such actions without the prior written consent of Parent, Buyer Parent and Buyer shall indemnify the Seller Indemnified Parties against any Losses suffered as a result of such action, as provided in Section 7.3(a)(ii).

(b) None of Buyer, any Purchased Entity, or any of their Affiliates shall amend, refile or otherwise modify any Tax Return with respect to any Purchased Entity for any Pre-Closing Tax Period without the prior written consent of Parent, which consent shall not be unreasonably withheld, delayed or conditioned.

8.7 Contest Provisions. If, subsequent to the Closing, any of Buyer or any Purchased Entity receives notice of any audit, other administrative proceeding or inquiry or judicial proceeding involving Taxes (a "Tax Contest") with respect to any Tax Return of any Purchased Entity or with respect to the Purchased Assets for a Pre-Closing Tax Period, then within 15 calendar days after receipt of such notice, Buyer shall notify Parent of such notice; provided that the failure to so notify Parent shall not relieve Parent of its indemnification obligations under this Agreement except to the extent that Parent has been damaged by such failure. Parent shall have the right to control the conduct and resolution of such Tax Contest, provided, however, that if any of the issues raised in such Tax Contest could have any adverse impact on Taxes of Buyer or any Purchased Entity or with respect to the Purchased Assets for a Post-Closing Tax Period, then Parent (i) shall afford Buyer the opportunity to control jointly the conduct and resolution of the portion of such Tax Contest that could have such an impact, (ii) keep Buyer informed of all developments on a timely basis with respect to such Tax Contest to the extent that Buyer is not jointly controlling the conduct and resolution of such Tax Contest, and (iii) shall not resolve such Tax Contests without Buyer's written consent, which shall not be unreasonably withheld, conditioned or delayed. If Parent shall have the right to control the conduct and resolution of such Tax Contest but elect in writing not to do so, then Buyer shall have the right to control the conduct and resolution of such Tax Contest, provided that Buyer shall keep Parent informed of all developments on a timely basis and Buyer shall not resolve such Tax Contest without Parent's written consent, which shall not be unreasonably withheld, conditioned, or delayed. Each party shall bear its own costs for participating in such Tax Contest. In the event of any conflict between this Section 8.7 and the provisions of Section 7.5, the provisions of this Section 8.7 shall control.

8.8 Tax Refunds and Fiscal Unity Tax Benefits.

(a) Any Tax refunds that are received by Buyer, its Affiliates or any Purchased Entity, and any amounts credited against Tax to which Buyer, its Affiliates or any Purchased Entity become entitled, that relate to any Pre-Closing Tax Periods (other than any credit or refund that (i) relates to Transfer Taxes paid by Buyer pursuant to Section 8.2, (ii) is attributable to the carryback of losses, credits or similar items generated by Buyer or an Affiliate

of Buyer in any Tax period or by a Purchased Entity after the Closing Date in any Post-Closing Tax Period, which such losses, credits or similar items may not be carried forward under applicable Tax Law (but only to the extent such carryback does not adversely affect Parent or any Parent Subsidiary Seller, such adverse effect to exclude the actual reimbursement to Buyer of any such credits or refunds), or (iii) is attributable to Taxes that are taken into account in determining either (A) the OCP Net Working Capital Amount adjustment pursuant to Section 1.6(b)(ii) or (B) the DES Net Working Capital Amount adjustment pursuant to Section 1.6(b)(iii)) shall be for the account of the Sellers, and Buyer shall pay over to the Sellers any such refund or the amount of any such credit within fifteen (15) days after receipt or entitlement thereto. Any such payment shall constitute an adjustment of the Purchase Price paid for the Purchased Stock and the Purchased Assets for Tax purposes and shall be treated as such by Buyer and the Sellers on their Tax Returns to the extent permitted by Law.

(b) To the extent the tax relevant income of a Purchased Entity not organized under the laws of the United States or any state thereof relating to any Pre-Closing Tax Periods is increased and such increase does not result in an actual Tax payment of such Purchased Entity due to the fact that (i) Taxes are assessed directly against the Sellers or a Seller's Affiliate due to the existence of a fiscal unity for corporate income Tax or trade Tax purposes or similar Tax consolidation schemes or (ii) the increase of the taxable income of the relevant Purchased Entity is neutralized through current Tax losses generated or Tax loss carry forwards used within a fiscal unity for corporate income Tax, trade Tax or similar Tax consolidation schemes between such Purchased Entity and the applicable Seller or Seller's Affiliate, Buyer shall pay to the Sellers any Tax benefit of Buyer, its Affiliate or any Purchased Entity resulting from a decrease of their taxable income for periods beginning after the Closing Date ("Fiscal Unity Tax Benefit") to the extent such decrease results from an increase in Taxes of Seller or its Affiliates under this Section 8.8(b). This Section 8.8(b) applies, in particular, to any Tax benefit resulting from the

lengthening of amortization or depreciation periods, higher depreciation allowances, a step-up in the Tax basis of assets, the non-recognition of liabilities or provisions, higher deductions or losses carried forward. The Fiscal Unity Tax Benefit is calculated in accordance with the principles set out in Section 7.6 above. Any amount to be paid by Buyer under this Section 8.8(b) shall be due and payable within ten (10) days after the relevant decision of the Tax authorities resulting in a Fiscal Unity Tax Benefit has become non-appealable.

8.9 Canadian Tax Covenants.

(a) Promptly following Buyer Parent's designation of a Canadian Buyer pursuant to Section 5.8, Buyer Parent will provide to Parent such Canadian Buyer's registration numbers under Part IX of the *Excise Tax Act* (Canada) and under *An Act respecting the Quebec Sales Tax Act*, and such registration numbers will be maintained through the Closing. If applicable, Avery Dennison Canada and Buyer will enter into an election under Section 167 of the *Excise Tax Act* (Canada) and Section 75 of *An Act respecting the Quebec Sales Tax* on the forms prescribed for such purposes in order to effect the transfer of the Purchased Assets by Avery Dennison Canada to Buyer without payment of any GST/HST or Quebec sales tax. Buyer shall file the elections forms referred to above with the relevant tax authorities in the manner and within the times prescribed under the relevant statute. Notwithstanding such elections, in the event that it is determined by a Tax authority that GST/HST or Quebec sales tax is payable on all or part of the Purchased Assets, Buyer agrees that such GST/HST and/or QST shall, unless

already collected from Buyer, forthwith be paid by Buyer to Avery Dennison Canada, and Buyer shall save Avery Dennison Canada and any other Sellers harmless with respect to any such GST/HST or Quebec sales tax liability arising herein, as well as any interest and penalty relating thereto. To the extent that an election referred to in this Section 8.9(a) is not applicable, and with respect to any other Canadian Transfer Taxes not covered by this Section 8.9(a), Buyer shall promptly pay directly to the appropriate Tax authority all applicable Canadian Transfer Taxes that may be imposed or payable or collectible or incurred in connection with this Agreement, provided that if any Canadian Transfer Taxes are required to be collected by a Seller, 50% of such Canadian Transfer Taxes shall be paid by Buyer to such Seller at the Closing or thereafter, as requested of or by the applicable Seller. Seller shall pay to Buyer 50% of Canadian Transfer Taxes (including Canadian sales tax, land transfer tax and GST/HST) nonrecoverable by Buyer and paid to the appropriate Tax authority on the later of Closing or the receipt of a valid invoice.

(b) Section 22 ITA Election. Each of Avery Dennison Canada and Buyer agree to elect jointly in the prescribed form under Section 22 of the *Income Tax Act* (Canada) ("ITA") as to the sale of the accounts receivables transferred by Avery Dennison Canada to Buyer as described in Section 22 of the ITA and to designate in such election the face value of such accounts receivables and an amount equal to the portion of the Purchase Price allocated to such assets in accordance with Section 1.7, as the consideration paid by Buyer therefor. Avery Dennison Canada shall file two copies of such election with the Canada Revenue Agency forthwith after execution thereof, and, in any event, with its Tax Return for the year of sale to make such election.

(c) Subsection 20(24) ITA Election. Buyer shall, if applicable, jointly elect with Avery Dennison Canada to have Subsection 20(24) of the ITA apply to any future obligations assumed by Buyer and for which Avery Dennison Canada has already received payment.

8.10 UK VAT.

(a) The parties shall use reasonable endeavors to procure that the sale of the UK Assets is treated as a TOGC by HMRC.

(b) Buyer hereby represents and warrants to Parent that:

(i) prior to Closing Buyer shall be registered for VAT in the UK and on or before Closing Buyer shall provide Parent with a copy of its UK certificate of registration for VAT; and

(ii) Buyer intends to carry on the same kind of business in relation to the UK Assets with effect from Closing as that carried on by the UK Seller prior to Closing and does not intend to liquidate such business.

(c) Buyer hereby notifies Parent that paragraph (2B) of article 5 of the Value Added Tax (Special Provisions) Order 1995 does not apply to Buyer.

(d) If, notwithstanding the provisions of Sections 8.9(a) and (b) above, any relevant Tax authority determines that VAT is chargeable in respect of the supply of all or any

part of the UK Assets under this Agreement or in respect of any other payment made by Buyer or any other supplies made to Buyer, in each case pursuant to this Agreement, then Parent shall notify Buyer in writing of that determination within five (5) Business Days of its being so advised by such Tax authority and Buyer shall:

(i) pay to Parent in addition to the Purchase Price allocated to the UK Assets in accordance with Section 1.7(a) or any other relevant payment made by Buyer, a sum equal to 50% of the amount of VAT nonrecoverable by Buyer and 100% of the amount of VAT recoverable by Buyer as determined by the relevant Tax authority or Parent, as appropriate, to be so chargeable, on the later of Closing or receipt of an appropriate VAT invoice; or

(ii) where the liability for VAT in respect of any supply is a liability of Buyer (whether under section 8 UKVATA or similar or equivalent provisions in any other jurisdiction), Buyer shall promptly pay all applicable VAT to the relevant Tax authority and shall indemnify and hold harmless Parent against any liability for VAT recoverable by Buyer and or any Liability that arises as a result of any failure by Buyer to comply with this Section 8.10(d)(ii). Parent shall pay Buyer a sum equal to 50% of the amount of such VAT nonrecoverable by Buyer on the later of Closing or receipt of an appropriate VAT invoice.

(e) Buyer agrees to indemnify and hold harmless Parent against any Liability for VAT, fines, interest or penalties arising to Parent or any member of the Sellers as a result of the transfer of the UK Assets being treated, in whole or in part, as anything other than a TOGC.

(f) In the event that the Purchase Price is adjusted in accordance with Section 1.6(c), and/or the allocation of the Purchase Price to any UK Assets is amended, the parties agree to co-operate in good faith to correct the respective invoices and VAT returns, and in particular:

(i) where the purchase price for the UK Assets is increased, Buyer shall pay to Parent an amount equal to any additional VAT that becomes due as a result of such increase, with payment to be made by Buyer on receipt of an appropriate VAT invoice; and

(ii) where the purchase price for any UK Assets is decreased, Parent or the appropriate Seller shall issue a VAT credit note or equivalent to Buyer and shall, to the extent the Excess VAT is actually recovered and retained by it or is creditable by Parent or such appropriate Seller against any VAT liability of Parent or such appropriate Seller, pay such Excess VAT to Buyer, and for the purposes of this Section 8.10(f)(ii) "Excess VAT" means the VAT actually paid (after deducting any previous refund under this Section 8.10(f)(ii)) by Buyer that would not have been payable had the purchase price for the UK Assets at all times reflected the relevant adjustment or amendment in allocation provided that no payment shall be due under this Section 8.10(f)(ii) from Parent or such appropriate Seller where any part of the consideration (inclusive of VAT) payable pursuant to this Agreement which is subject to adjustment under this Section 8.10(f)(ii) remains outstanding.

8.11 German VAT.

(a) The German Transaction according to Section 5.11 and the German IP Transaction according to Section1.1(c) shall be outside the scope of German VAT as the Germany Holding Entity, the Germany Entity Seller and the Germany Entity form a fiscal unity for VAT purposes (Section 2 para. 2 no. 2 GVATA). In light of such fiscal unity, the parties intend, and shall use reasonable endeavors to procure, that the German Transaction and the German IP Transaction will be effected prior to Closing. If, contrary to the understanding in the foregoing sentences, the relevant Tax authority determines that the German Transaction and the German IP Transaction are not effected within a fiscal unity for VAT purposes, the parties hereto intend, and shall use reasonable efforts to procure that both the German Transaction and the German IP Transaction will be treated as a TOGC (*Geschäftsveräußerung im Ganzen*) within the scope of Section 1 para. 1a sent. 1 GVATA by the German Tax authorities.

(b) The parties hereto agree that the sale and transfer of the shares in the Germany Entity from the Germany Entity Seller to Buyer Parent or a designated Buyer entity shall be exempt from VAT according to Section 4 no. 8 GVATA.

(c) Buyer and the Germany Entity each hereby represents, warrants and covenants to Parent that:

(i) It is an entrepreneur (*Unternehmer*) within the scope of Section 2 para. 1 GVATA;

(ii) It acquires the German Assets for purposes of its business within the scope of Section 1 para. 1a sent. 1 GVATA; and

(iii) It will carry on the same kind of business in relation to the German Assets with effect from Closing as that carried on by the Germany Entity Seller prior to Closing and does, in particular, not intend to liquidate such business.

(d) If, notwithstanding the provisions of Sections 8.11(a), (b) and (c) above, the relevant Tax authority determines that VAT is chargeable in respect of the supply of all or any part of the German Assets under this Agreement or in respect of any other payment made by Buyer or the Germany Entity or any other supplies made to Buyer or the Germany Entity, in each case pursuant to this Agreement, then the Germany Entity Seller shall notify Buyer and the Germany Entity in writing of that determination and send, or cause to be sent, an appropriate VAT invoice to the Buyer and the Germany Entity, as the case may be, within five (5) Business Days of its being so advised by such Tax authority and Buyer and the Germany Entity shall:

(i) pay to the Germany Entity Seller or the Germany Holding Entity, as the case may be, in addition to the Purchase Price allocated to the German Assets in accordance with Section 1.7(a) or any other relevant payment made by Buyer or the Germany Entity, a sum equal to 50% of the amount of VAT nonrecoverable by Buyer or the Germany Entity and 100% of the amount of VAT recoverable by Buyer and/or the Germany Entity determined by the relevant Tax authority or the Germany Entity Seller, as appropriate, to be so chargeable, on the later of Closing or receipt of an appropriate VAT invoice. Any additional VAT charged from Germany Entity Seller or Germany

Holding Entity to Germany Entity will be due for payment to the extent the additional VAT is actually recovered and retained by the Germany Entity or is creditable by the Germany Entity against any VAT liability of the Germany Entity; or

(ii) where the liability for VAT in respect of any supply is a liability of Buyer or the Germany Entity, Buyer shall promptly pay all applicable VAT to the relevant Tax authority and shall indemnify and hold harmless Parent, the Germany Holding Entity, and/or the Germany Entity Seller against any liability for VAT recoverable by Buyer and/or the Germany Entity or any Liability that arises as a result of any failure by Buyer to comply with this Section 8.11. Parent shall pay Buyer a sum equal to 50% of the amount of such VAT nonrecoverable by Buyer and/or the Germany Entity on the later of Closing or receipt of an appropriate VAT invoice.

(e) In the event that the Purchase Price is adjusted in accordance with Section 1.6(c), and/or the allocation of the Purchase Price to any German Assets is amended, the parties agree to co-operate in good faith to correct the respective invoices and VAT returns, and in particular:

(i) where the purchase price for any German Assets is increased, Buyer shall pay to Germany Entity Seller or the Germany Holding Entity, as the case may be, an amount equal to any additional VAT that becomes due as a result of such increase, with payment to be made by Buyer on receipt of an appropriate VAT invoice and to the extent the additional VAT is actually recovered and retained by it or is creditable by the Germany Entity against any VAT liability of the Germany Entity; and

(ii) where the purchase price for any German Assets is decreased, the Germany Entity Seller or the Germany Holding Entity, as the case may be, shall issue an amended appropriate VAT invoice to Buyer and the Germany Entity Seller shall, to the extent the Excess VAT is actually recovered and retained by it or is creditable by the Germany Entity Seller against any VAT liability of the Germany Entity Seller, pay such Excess VAT to Buyer, and for the purposes of this Section 8.11(e)(ii) "Excess VAT" means the VAT actually paid (after deducting any previous refund under this Section 8.11(e)(ii)) by Buyer that would not have been payable had the purchase price for the German Assets at all times reflected the relevant adjustment or amendment in allocation provided that no payment shall be due under this Section 8.11(e)(ii) from the Germany Entity Seller or the Germany Holding Entity, as the case may be, where any part of the consideration (inclusive of VAT) payable pursuant to this Agreement which is subject to adjustment under this Section 8.11(e)(ii) remains outstanding.

ARTICLE 9.
OTHER POST-CLOSING COVENANTS

9.1 Employee Related Matters.

(a) Notification and Consultation Process. From and after the date hereof until the Closing Date, (i) Buyer and the Sellers shall fully cooperate to comply with all obligations to inform and consult in accordance with the Transfer of Undertakings and all other

applicable Laws or Orders, (ii) Buyer shall fully cooperate and provide the Sellers and their Affiliates as soon as reasonably practicable with the true and complete information reasonably requested by Sellers that is necessary or appropriate to perform its notification, information and consultation requirements under applicable Laws, Orders and Collective Bargaining Agreements relating to the Business Employees and shall update any such information as soon as reasonably practicable in the period up to Closing and (iii) Buyer shall consult with the Sellers and obtain the Sellers' consent before distributing any communications approved by the relevant Seller to any Business Employee whether relating to employee benefits, post-Closing terms of employment or otherwise. Buyer and its Affiliates shall be solely responsible for all obligations and Liabilities to the Business Employees resulting from, whether directly or indirectly, Buyer's acts or omissions in relation to such notification and consultation process, except (A) such acts or omissions to which any Seller has expressly consented or (B) where such obligations or Liabilities result from a failure of any Seller to comply with its obligations under this Agreement. Seller and its Affiliates shall be solely responsible for all obligations and Liabilities to the Business Employees resulting from, whether directly or indirectly, Sellers' acts or omissions in relation to such notification and consultation process, except (x) such acts or omissions to which Buyer has expressly consented or (y) where such obligations or Liabilities result from a failure of Buyer to comply with its obligations under this Agreement.

(b) Employment.

(i) No later than fifteen (15) Business Days prior to Closing, Sellers will deliver to Buyer an updated Schedule 3.9(f) to include current information regarding Business Employees as of such date of delivery.

(ii) Each Business Employee who is employed by a Purchased Entity immediately prior to the Closing shall continue employment with such Purchased Entity immediately following the Closing without further action on the part of Buyer, the Sellers or their respective Affiliates (such Business Employees are referred to herein as "Purchased Entity Employees").

(iii) The parties agree that the Transfer of Undertakings applies to the sale and purchase of each of the Businesses and certain of the Purchased Assets under this Agreement. Subject to the right of an ARD Business Employee to object to the transfer, the parties shall use commercially reasonable efforts to ensure that the contract of employment between the relevant Seller and each such ARD Business Employee will have effect after the Closing Date as if originally between Buyer or an Affiliate thereof and that ARD Business Employee to the extent required by the Transfer of Undertakings.

(iv) With respect to each Business Employee who is employed by any of the Sellers or any Affiliate of the Sellers (other than any Purchased Entity) immediately prior to the Closing (the "Non-Purchased Entity Employees"), Buyer shall, or shall cause its Affiliates to, (A) for the Non-Purchased Entity Employees who are not ARD Business Employees, extend written offers of employment (or, with respect to Non-Purchased Entity Employees providing services in Mexico, provide transfer notices) (such offer or transfer notice, as applicable, an "Offer"), in a form reasonably satisfactory to the Sellers (which has been provided to the Sellers for review and comment at least

five (5) Business Days prior to use thereof), no later than ten (10) Business Days (or such longer period as is required by Law) prior to the Closing, but subject to occurrence of the Closing and subject to any limitations imposed by applicable immigration laws, (B) for the ARD Business Employees whose employment automatically transfers pursuant to the Transfer of Undertakings, assume the employment of such ARD Business Employees on the Closing Date in accordance with all applicable Laws, and (C) for the Business Employees whose employment is expected by the parties to automatically transfer to Buyer or an Affiliate thereof pursuant to the Transfer of Undertakings but whose employment does not in fact transfer to Buyer or an Affiliate thereof for reasons other than the Business Employees objecting to transfer (if such objection would prevent their transfer to Buyer or Affiliate thereof under applicable Law), extend an Offer, in a form reasonably satisfactory to the Sellers, as soon as reasonably practicable after the Closing Date. Buyer and its Affiliates shall, if and to the extent reasonably requested by the Sellers, cooperate with the Sellers and their Affiliates to jointly inform the ARD Business Employees about the Transfer of Undertakings prior to the Closing. Each Offer extended to a Non-Purchased Entity Employee shall (I) be for employment by Buyer or an Affiliate thereof as of the Closing Date, (II) for the employees set forth on Schedule 9.1(b)(iv) ("Transferred Executives"), provide for continuing employment within 50 miles of the applicable Transferred Executive's residence or at the same location as the applicable employee is employed immediately prior to the Closing in a substantially equivalent position with compensation and benefits coverage that, in the aggregate, are at least substantially equivalent to the compensation and benefits coverage provided to such employee immediately prior to the Closing, (III) for Mexican Non-Purchased Entity Employees, provide for continuing employment in a substantially equivalent position with compensation and benefits that are at least equivalent to the compensation and benefits coverage provided to such Mexican Non-Purchased Entity Employee immediately prior to the Closing, (IV) for all other non-US Non-Purchased Entity Employees, provide for continuing employment in a substantially equivalent position with compensation and benefits coverage that, in the aggregate, are substantially equivalent to the compensation and benefits coverage provided to such employee immediately prior to the Closing, in accordance with

applicable Law, (V) for all US Non-Purchased Entity Employees other than Transferred Executives, provide for continuing employment within 50 miles of the applicable US Non-Purchased Entity Employee's residence or at the same location as the applicable US Non-Purchased Entity Employee is employed immediately prior to the Closing in a reasonably appropriate position with a base pay rate and annual bonus opportunity that are substantially equivalent to the base pay rate and annual bonus opportunity provided to such employee immediately prior to Closing, and (VI) require that such Non-Purchased Entity Employee acknowledge and agree that, as of the Closing Date, he or she will have resigned from, or voluntarily ceased, employment with each Seller employing such Non-Purchased Entity Employee. In addition, all Offers shall be made in accordance with all applicable Laws. Sellers and Buyer shall take all reasonable actions necessary or appropriate to cause the Non-Purchased Entity Employees to accept Buyer's Offers or to otherwise become employed by Buyer or any of its Affiliates in a jurisdiction where the Transfer of Undertakings applies (including making application for (and using commercially reasonable efforts to obtain) any work permit or visa, employment pass, or other legal or regulatory approval

for employment). Neither Sellers nor any of their Affiliates will seek to induce any Non-Purchased Entity Employee to reject any Offer from Buyer or any of its Affiliates made in accordance with the terms hereof, and such Non-Purchased Entity Employees who accept Offers shall become employees of Buyer or Affiliates immediately following the Closing and shall then cease to be employees of any Seller or Affiliates. All Purchased Entity Employees, Non-Purchased Entity Employees who accept Offers, and Non-Purchased Entity Employees whose employment automatically transfers pursuant to a Transfer of Undertakings are referred to herein as the "Transferring Employees."

(v) Buyer Parent and Buyer, jointly and severally, shall indemnify each of the Sellers and their respective Affiliates against any Liabilities which the Sellers and their respective Affiliates incur arising from Sellers' termination of any Transferred Executive, any person who is a current part-time or full-time employee of any Purchased Entity, or any ARD Business Employee who, in connection with the Transactions, is entitled to object to the transfer of their employment to Buyer or any Purchased Entity and who does not become a Transferring Employee ("Non-Transferring Employee") for (A) severance pay and benefits and (B) notice pay, in each case, that is required to be paid by Sellers to such Business Employee under any applicable Employee Plan, Law or Order, provided that Sellers give written notice to Buyer of their intent to terminate such Non-Transferring Employee within thirty (30) days following such Non-Transferring Employee's objection to transfer.

(vi) The Sellers shall provide to Buyer and its Affiliates all employment records for each Transferring Employee that (A) are required to be provided to Buyer and its Affiliates under and subject to applicable Law or (B) are reasonably requested in writing by Buyer or any of its Affiliates on or prior to the 30th day following the Closing Date and are permitted to be provided to Buyer and its Affiliates under applicable Law. Buyer and its Affiliates shall ensure that all such records are used, processed and stored in accordance with applicable Law. Buyer and its Affiliates shall indemnify and hold harmless the Sellers and their Affiliates from and against any statutory, common law or other claims that arise from the use of such employment records by Buyer or its Affiliates other than in compliance with applicable Law or Order. To the extent permitted by Law, the Sellers and their Affiliates shall be permitted to retain a copy of any employment records provided to Buyer and its Affiliates pursuant to this Section 9.1(b)(vi) or otherwise.

(vii) Except as otherwise set forth herein (and in no way limiting any other provisions of this Agreement), Buyer shall bear all of the Liabilities, obligations and costs relating to, and shall indemnify and hold harmless the Sellers and their Affiliates from and against, any claims made by any Business Employee for any statutory or common law severance or other separation benefits, any contractual or other severance or separation benefits (including, without limitation, any severance benefits under any applicable Transaction Bonus Agreement), and any other legally mandated payment obligations (including any compensation payable during (or in lieu of) a mandatory termination notice period, any payments pursuant to an Order of a court having jurisdiction over the parties and any payments in connection with accrued annual leave, long service leave or similar accrued rights) and for any other claim, cost, Liability or

obligation (whether related to compensation, benefits or otherwise), in each case, arising out of or in connection with the failure of Buyer or its Affiliates to make an Offer to any Non-Purchased Entity Employee (except for those Persons set forth on Annex B-1) or to continue the employment of any Transferred Executive (except as set forth on Annex B-2 solely to the extent that such employees are terminated prior to the one-year anniversary of the Closing Date), in each case, in accordance with this Agreement and applicable Law; provided, however, that any such indemnification shall be limited and reduced to the extent that such Liabilities, obligations and costs arise solely from or in connection with the failure of Sellers to comply with any Seller's obligations under this Agreement or any Ancillary Agreement.

(viii) Nothing in this Agreement is intended to or shall be interpreted to require Buyer to continue the employment of any Transferring Employee, or confer on any Transferring Employee any right to continued employment with the Buyer, for any period of time following the Closing Date.

(c) Post-Closing Benefits.

(i) Through December 31, 2013, Buyer agrees that it will, and will cause its Affiliates to, provide to each Transferring Employee (A) compensation and benefits coverage that (x) with respect to each Mexican Non-Purchased Entity Employee, are at least equivalent to the compensation and benefits coverage provided to such Mexican Non-Purchased Entity Employee immediately prior to the Closing, (y) with respect to each other non-US Transferring Employee, in the aggregate, are substantially equivalent to the compensation and benefits coverage provided to such Transferred Executive immediately prior to Closing, in accordance with applicable Law, and (z) with respect to each Transferred Executive, in the aggregate, are at least substantially equivalent to the compensation and benefits coverage provided to such Transferred Executive immediately prior to Closing, and (B) with respect to each US Transferring Employee other than the Transferred Executives, a base pay rate and annual bonus opportunity that are substantially equivalent to the base pay rate and annual bonus opportunity provided to such employees immediately prior to Closing. Sellers shall use commercially reasonable efforts to assist Buyer with transitioning the Transferring Employees to its benefit plans. Such assistance shall include coordinating with their current benefit plan vendors to provide reasonable information and reports needed by Buyer for such transition in a timely manner.

(ii) Following the Closing Date, Buyer shall (or shall cause its Affiliates to), pursuant to employee benefit plans, policies, programs and arrangements established or maintained by Buyer and its Affiliates (the "Buyer Plans") (A) waive all limitations as to pre-existing conditions, and waiting periods with respect to participation and coverage requirements applicable to Transferring Employees under Buyer Plans, other than limitations or waiting periods that are already in effect with respect to such employees and that have not been satisfied as of the Closing Date under the corresponding Employee Plan (subject to Buyer's ability to obtain any required consent of any insurer with respect to any Buyer Plan without unreasonable effort or expense), (B) provide each Transferring Employee with credit under Buyer Plans for any co-

insurance and deductibles paid under the corresponding Employee Plans prior to the Closing Date in satisfying any applicable deductible and/or co-insurance for the year in which the Closing Date occurs (subject to the receipt by the applicable vendors, or if not available, the employees, of any information which is reasonably necessary regarding such co-insurance and deductibles previously paid) or otherwise provide each Transferring Employee with additional compensation or benefits that are, in the aggregate, substantially equivalent to the value of such credit, and (C) (x) to the extent the Sellers or their Affiliates are required by Law or Order to pay or otherwise compensate Transferring Employees for accrued, unused vacation, personal or sick days, pay the Sellers an amount equal to the aggregate amount of such payment or compensation by the Sellers and their Affiliates to such Transferring Employees and (y) to the extent the Sellers and their Affiliates are not required by Law or Order to pay or otherwise compensate Transferring Employees for accrued, unused vacation, personal or sick days, honor all vacation, personal and sick days accrued by such Transferring Employees under the applicable Employee Plan immediately prior to the Closing. To the extent not inconsistent with applicable Laws, for purposes of determining eligibility to participate, vesting and determination of the level of benefits (but not accrual or entitlement to benefits under any defined benefit pension plan or the level of company matching contributions under any defined contribution pension plan) for Transferring Employees under all Buyer Plans, Buyer shall or shall cause its Affiliates to recognize service with the Sellers and their Affiliates to the same extent recognized under the corresponding Employee Plans as in effect immediately prior to the Closing Date.

(iii) No employee, dependent or beneficiary shall be a third party beneficiary of the obligations of this subsection (c).

(d) WARN Act. On or before the Closing Date, the Sellers shall deliver to Buyer a list of "employment loss" (as defined in the Worker Adjustment and Retraining Notification Act and implementing regulations ("WARN")) involving Business Employees providing services in the United States, by location, occurring in the ninety (90) day period preceding the Closing Date; Sellers will upon reasonable request provide Buyer with sufficient additional information about the number of employees employed as each such location and other WARN-related data for Buyer to determine whether WARN notice may be required. Buyer shall be responsible for providing or discharging any and all notifications, benefits and liabilities to employees and governmental entities under WARN, or any similar state or local Law relating to plant closings, employee separations or severance pay from Buyer that are first required to be provided or discharged on or after the Closing Date (including as to employees identified on the pre-Closing list provided to Buyer pursuant to this Section 9.1(d)) if actions by Buyer on or after the Closing Date result in such a notice requirement.

(e) Defined Contribution Plans. As soon as practicable following the Closing Date, Buyer (or one of its Affiliates) shall take all action necessary or appropriate to establish one or more defined contribution plans intended to be tax-qualified under Section 401(a) of the Code for the benefit of the Transferring Employees (collectively, the "Buyer 401(k) Plan"). Transferring Employees shall have their continuous service as defined in the Avery Dennison Corporation Employee Savings Plan (the "Seller 401(k) Plan") credited under the Buyer 401(k) Plan solely for purposes of eligibility to participate and vesting. As soon as reasonably

practicable after such date as the Sellers have been provided (i) evidence that Buyer has established a trust to hold the assets of the corresponding Buyer 401(k) Plan, and (ii) that the Buyer 401(k) Plan is qualified under Section 401(a) of the Code and that the trust holding the assets of the Buyer 401(k) Plan is exempt under Section 501(a) of the Code but no earlier than seventy-five (75) days after the Effective Date (the date of transfer, the "Transfer Date"), the Sellers shall cause the accounts under the Seller 401(k) Plan of each participant who is a Transferring Employee to be transferred to the Buyer 401(k) Plan. Such transfer shall include a transfer of the applicable assets from the trust pursuant to the Seller 401(k) Plan to the trust pursuant to the Buyer 401(k) Plan in accordance with Section 414(l) of the Code. Such transfer of assets shall be in cash but shall include any promissory notes or other evidences of indebtedness with respect to outstanding plan loans to Transferring Employees who are participants in the Seller 401(k) Plan. On or prior to the Transfer Date, the Seller shall cause all unvested accrued benefits to become fully vested for the Transferring Employees for the period up to and including the Closing Date. No later than thirty (30) days following the Closing Date, the Sellers will prepare and deliver to Buyer a schedule setting forth (i) the names of the Transferring Employees who participate under the Seller 401(k) Plan, (ii) details of any outstanding plan loans from the Seller 401(k) Plan to the Transferring Employees, and (iii) the account balances of such Transferring Employees under the Seller 401(k) Plan as of the Closing Date.

(f) Other Pension Plans.

(i) On and after the Closing Date, the Purchased Entities, Buyer and its Affiliates shall be responsible for, and assume all Liabilities related to, the Transferring Pension Plans and none of the Sellers or their Affiliates will have any Liability or obligations on or after the Closing Date with respect to the Transferring Pension Plans (subject to the receipt by Buyer and its Affiliates of all information reasonably necessary to administer and operate such Transferring Pension Plans following the Closing Date).

(ii) If a Seller or any of its Affiliates retains employees who are participants in a Transferring Pension Plan, then such Seller or Affiliate thereof will use commercially reasonable efforts to (A) ensure that each such employee ceases to participate in the Transferring Pension Plan prior to the Closing Date, and (B) cause each such employee's accrued benefits under such plan to be transferred from the Transferring Pension Plan to another employee benefit plan of the Seller or an Affiliate thereof (the "Retained Pension Plan"). If the transfer described in Section 9.1(f)(ii)(B) does not occur prior to the Closing Date, the Sellers and Buyer shall cooperate to ensure the transfer to the Retained Pension Plan is made as soon as reasonably practicable after the Closing Date.

(iii) Buyer and the Sellers shall, and shall cause their respective Affiliates to, use commercially reasonable efforts to (A) ensure that each Business Employee who is a participant in the Swiss pension plan sponsored by a Seller (the "Retained Swiss Plan") ceases to participate in the Retained Swiss Plan as of the Closing Date, (B) cause each such Business Employee's vested credit benefits under the Retained Swiss Plan to be transferred to the applicable employee benefit plan(s) of Buyer or

Affiliate thereof (the "Buyer Swiss Plan") in accordance with applicable Law governing such plan, (C) ensure that a transfer of the amount of assets required to be transferred by applicable Law in respect of vested credit benefits described in Section 9.1(f)(iii)(B) is made from the Retained Swiss Plan to the Buyer Swiss Plan and (D) in the event that the actuarial value of the vested credit benefits transferred in (B) above (as determined by an independent actuary mutually agreed upon by the parties using GAAP) is greater than the amount of assets transferred under (C) above, then cause the amount of such excess to (x) to the extent permitted by applicable Law, be transferred from the Retained Swiss Plan to the Buyer Swiss Plan or otherwise (y), be paid by Sellers or any of their Affiliates to Buyer.

(iv) Buyer and the Sellers shall, and shall cause their respective Affiliates to, use commercially reasonable efforts to (A) ensure that each Business Employee who is a participant in the Mexican pension plan sponsored by a Seller (the "Retained Mexican Plan") ceases to participate in the Retained Mexican Plan as of the Closing Date, (B) cause each such Business Employee's benefits under the Retained Mexican Plan to be transferred to the applicable employee benefit plan of Buyer or Affiliate thereof in accordance with Mexican Law and regulations governing such plan, and (C) ensure that a transfer of assets equal in value to the amount of benefits described in Section 9.1(f)(iv)(B) is made from the Retained Mexican Plan to the applicable employee benefit plan of Buyer or Affiliate thereof.

(v) As soon as practicable following the Closing Date, Buyer (or one of its Affiliates) shall take all action necessary to establish or designate one or more Buyer Plans that shall qualify as a successor pension plan under the provisions of the *Pension Benefits Act* (R.S.O. 1990, CHAPTER P.8) (Ontario) or similar Law of all Canadian jurisdictions in which each Transferring Employee is employed ("Canadian Successor Pension Plan") for each Employee Plan that qualifies as a pension plan under the *Pension Benefits Act* (R.S.O. 1990, CHAPTER P.8) (Ontario) or similar Law of each Canadian jurisdiction in which a Transferring Employee is employed ("Canadian Predecessor Pension Plan"). All Transferring Employees shall be credited with service for the purposes of eligibility and vesting under each Canadian Successor Pension Plan for all periods of employment credited under each Canadian Predecessor Pension Plan.

(vi) On or before the Closing Date, the Germany Entity shall transfer all pension Liabilities and pension assets relating to inactive employees of the Germany Entity as of the Closing Date to an Affiliate of Parent.

(g) No Third Party Beneficiaries. Nothing in this Section 9.1 shall create any third party beneficiary right in any Person other than the parties to this Agreement, including any current or former Business Employee, any participant in any Employee Plan, or any dependent or beneficiary thereof, or any right to continued employment with either of the Businesses, the Sellers, Buyer or any of their respective Affiliates. Nothing in this Section 9.1 shall constitute an amendment to any Employee Plan or any other plan or arrangement covering Business Employees.

9.2 Post-Closing Access and Cooperation. Following the Closing, in the event that, and for so long as, any Seller or its Affiliate is actively contesting or defending against any charge, audit, complaint, action, suit, proceeding, hearing, investigation, grievance, arbitration, claim, Legal Proceeding, or demand in connection with (a) any transaction contemplated by the Transaction Documents or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction relating to periods prior to the Closing and involving either of the Businesses, at Sellers' sole cost and expense, Buyer and its Affiliates (including the Purchased Entities) will reasonably cooperate with such contesting or defending party and its counsel in the contest or defense, make available their personnel, provide such Intellectual Property rights or participate as a party to the extent reasonably requested to pursue or defend any such contest or defense, and provide such testimony and other information as shall be reasonably necessary in connection with such contest or defense. Further, subject to the Transition Services Agreement, the Supply Agreement and the Trademark Coexistence Agreement, with respect to the respective matters covered thereby, and without limiting the obligations set forth in Section 8.1, from and after the Closing, each party hereto (the "Disclosing Party") agrees that it will cooperate with and make available to the other party (the "Recipient Party"), during normal business hours and upon reasonable notice, (i) in the case Buyer is the Recipient Party, all books, records, documents and other information related to either of the Businesses, (ii) in the case the Sellers are the Recipient Party, all Books and Records and any other books, records, documents and information related to any business or operations conducted by Parent or any of its Subsidiaries other than the Businesses and (iii) employees of the Disclosing Party (without substantial disruption of employment), in each case which are necessary or useful in connection with any audit, investigation or dispute, any litigation or investigation or any other matter requiring any such books, records or other documents, information or employees for any reasonable business purpose. Unless otherwise consented to in writing by Parent, Buyer Parent shall and shall cause Buyer and the Purchased Entities not to, for a period of six (6) years after the Closing Date, destroy, alter or otherwise dispose of any books and records or information related to either of the Businesses or portions thereof relating to periods prior to the Closing Date. Except in connection with uses contemplated by this Agreement, all information received from the Disclosing Party pursuant to this Section 9.2 (the "Section 9.2 Information") shall be kept confidential by the Recipient Party, subject to any disclosure that is required to be made by the Recipient Party in order to comply with applicable Laws, Orders or the rules or regulations of any securities exchange upon which its securities are traded. Notwithstanding the foregoing, the Section 9.2 Information shall not include information that (a) is or becomes generally available to the public other than as a result of a disclosure by the Recipient Party, (b) was within the Receiving Party's possession prior to it being furnished to such Recipient Party by Buyer (in the case of any Seller) or any Seller (in the case of Buyer), (c) becomes available to the Recipient Party on a non-confidential basis from a source other than Buyer (in the case of any Seller) or any Seller (in the case of Buyer) or (d) is independently developed by the Recipient Party without violating the Recipient Party's obligations hereunder.

9.3 Publicity. Except as required by applicable Laws, Orders or applicable rules or regulations of any securities exchange upon which its securities are traded, without prior written approval of Buyer and Parent, none of Buyer, the Sellers, the Purchased Entities or their respective Affiliates shall issue any press release or make any public statement regarding this Agreement and the Transactions.

9.4 Non-Competition.

(a) In consideration of Buyer entering into this Agreement and in order for Buyer to enjoy the full benefits of the Purchased Assets and Purchased Entities, from the Closing Date until the fifth (5th) anniversary of the Closing Date, Parent shall not, directly or indirectly, and shall cause its Subsidiaries and Affiliates (each, a "Restricted Party") not to, directly or indirectly (including, in all cases, as an owner, investor, partner, licensor, joint venture or otherwise), (i) develop, manufacture, market, convert, distribute or sell Restricted Printable Media Products or Restricted Other Products, in each case for distribution or sale through the OCP Channels to end-users (such products, the "Restricted OCP Products", and the business of developing, manufacturing, marketing, converting, distributing or selling the Restricted OCP Products through the OCP Channels to end-users, the "Restricted OCP Business") or (ii) develop, manufacture, market, convert, distribute or sell the Restricted DES Products and Solutions (the business of developing, manufacturing, marketing, converting, distributing or selling the Restricted DES Products and Solutions, the "Restricted DES Business" and together with the Restricted OCP Business, the "Restricted Businesses"). Notwithstanding the foregoing, (x) the "Restricted OCP Products" do not include industrial adhesive products (including commercial and industrial products incorporating adhesives such as pressure-sensitive laminates, industrial adhesives or labels other than labels sold or distributed through the OCP Channels to end-users) and (y) the "Restricted DES Products and Solutions" do not include industrial products (including commercial and industrial products incorporating adhesives such as pressure-sensitive laminates, industrial adhesives or labels) that are not finished products.

(b) Notwithstanding the foregoing Section 9.4(a), Section 9.4(a)(i) shall not prohibit or in any way restrict the Restricted Parties from engaging in the following activities to the extent such activities were or are not undertaken with the intention or principal purpose of avoiding the limitations set forth in Section 9.4(a)(i):

(i) developing, manufacturing, marketing, distributing or selling any products or services directed to business-to-business customers serving industrial, commercial and manufacturing customers, distributors and retailers engaged in use of labels for identifying, tracking or tracing assets or inventory or in the process of manufacturing, labeling, packaging, or selling such customers' products or providing services;

(ii) developing, manufacturing, marketing, distributing or selling products and solutions to the extent such products or solutions are (A) the labels business conducted in Europe under the brand name "JAC" and "Fasson" by Parent's and its Subsidiaries' graphics business as of the date of this Agreement, (B) printers, (C) scanners, readers, tickets, tags, labels and/or other products and solutions incorporating acousto-magnetic, radio-frequency or electronic article surveillance technology or (D) button and other non-adhesive attachment devices; or (iii) developing, manufacturing, marketing, distributing or selling warning, usage or other labels for industrial, manufacturing and commercial applications, but only to the extent such warning or usage labels are not Purchased Assets or the assets of the Purchased Entities.

(c) Notwithstanding the foregoing Section 9.4(a), Section 9.4(a)(ii) shall not prohibit or in any way restrict the Restricted Parties from engaging in the following activities to the extent such activities were or are not undertaken with the intention or principal purpose of avoiding the limitations set forth in Section 9.4(a)(ii), developing, manufacturing, marketing, distributing or selling any products developed, manufactured, marketed, distributed or sold by RBIS, Performance Tapes, Graphics Solutions, Vancive Medical or Materials Group as of the date hereof or contemplated to be developed, manufactured, marketed, distributed or sold by RBIS, Performance Tapes, Graphics Solutions, Vancive Medical or Materials Group as of the date hereof.

(d) Notwithstanding the foregoing Section 9.4(a), Restricted Parties shall not be prohibited or in any way restricted from:

(i) engaging in either of the Restricted Businesses to the extent necessary to perform its duties under this Agreement or the Ancillary Agreements;

(ii) owning for a period not to exceed 180 days from the date of acquisition an equity interest of less than five percent (5%) of any other Person engaged in either of the Restricted Businesses acquired as a creditor in bankruptcy and not by a voluntary investment decision, provided that such interest does not give any Restricted Party the right to appoint directors or management of such Person or to otherwise exercise control over the management of such Person; or

(iii) acquiring the assets or capital stock or other equity interests of any other Person engaged in either of the Restricted Businesses, provided that (A) the net sales attributable to such Restricted Business conducted by such Person accounts for less than ten percent (10%) of the net sales of such Person for its most recently completed fiscal year, (B) the Restricted Party uses commercially reasonable efforts to divest such Restricted Business as soon as reasonably practicable following completion of such acquisition, and (C) such acquisition was not undertaken with the intention or principal purpose of avoiding the limitations set forth in this Section 9.4.

(e) The restrictions in Section 9.4(a) shall apply worldwide.

(f) Parent agrees that the terms of Section 9.4(a) are fair and reasonable and are necessary to accomplish the full transfer of the goodwill and other intangible assets hereby. In the event that any of the covenants contained in this Section 9.4 (including any component of the definition of Restricted Businesses) shall be determined by any court of competent jurisdiction to be unenforceable for any reason whatsoever, then any such provisions shall not be deemed void, and the parties hereto agree that said limits may be modified by the court and that said covenant contained in Section 9.4(a) shall be amended in accordance with said modification, it being specifically agreed by the parties that it is their continuing desire that this covenant be enforced to the full extent of its terms and conditions, and if a court finds the full scope of the covenant to be unenforceable, the court should redefine the covenant so as to provide the fullest extent of its terms and conditions permitted under applicable Law.

(g) Each of the Parties hereto acknowledges and agrees that the remedy at law for any breach, or threatened breach, of any of the provisions of Section 9.4 will be inadequate and, accordingly, Parent covenants and agrees that Buyer shall, in addition to any other rights and remedies which such party may have at Law, be entitled (i) to equitable relief, including preliminary and permanent injunctive relief, and the remedy of specific performance with respect to any breach or threatened breach of any such provision, as may be available from any court of competent jurisdiction and (ii) in any action to enforce such provisions to recover its reasonable attorneys' fees incurred in connection with any such enforcement activities if Buyer is the prevailing party. Parent hereby waives any requirement for the securing or posting of a bond in connection with seeking any such equitable relief.

(h) Notwithstanding anything herein to the contrary, the provisions of Section 9.4(a) shall not be binding on (i) any Person or its Affiliates, except for Parent or any of its Subsidiaries, that acquires or invests in Parent or its successor or succeeds to its businesses or assets as a result of a Parent Transaction, (ii) any Person that was a controlled Affiliate of Parent upon such Person ceasing to be a controlled Affiliate of Parent or (iii) any Person or its Affiliates (other than Parent and its Subsidiaries to the extent applicable) solely because such Person enters into a contract to acquire capital stock, equity interests, businesses or assets of Parent or any Affiliate of Parent.

9.5 Non-Solicitation.

(a) For a period of two (2) years after the Closing Date, no Seller shall, and each Seller shall cause its Subsidiaries not to, whether for their own account or for the account of any Person, solicit, offer employment to or hire any individual that is a Transferring Employee; provided, however, that the Sellers and their Subsidiaries shall not be prohibited from (i) initiating searches for employees through the use of general advertisement or through the engagement of firms to conduct searches that are not targeted or focused on the Transferring Employees (and the hiring of employees that respond to any such searches) or (ii) hiring any such employee not employed by Buyer or an Affiliate of Buyer, including any Purchased Entity, at the time of solicitation.

(b) For a period of two (2) years after the Closing Date, Buyer shall not, and shall cause its Subsidiaries and the Purchased Entities not to, whether for their own account or for the account of any Person, solicit, offer employment to or hire any individual set forth on Schedule 9.5(b); provided, however, that Buyer, its Subsidiaries and the Purchased Entities shall not be prohibited from (i) initiating searches for employees through the use of general advertisement or through the engagement of firms to conduct searches that are not targeted or focused on the employees of Parent and its Subsidiaries (and the hiring of employees that respond to any such searches) or (ii) hiring any such employee not employed by Parent or any of its Subsidiaries, at the time of solicitation.

(c) If any provision of this Section 9.5 is deemed invalid, illegal, or incapable of being enforced by reason of any rule of law or of any public policy, all other provisions of this Section 9.5 shall, nevertheless, remain in full force and effect and no provision shall be deemed dependent upon any other provision unless so expressed herein. A court of competent jurisdiction may so modify the objectionable provision as to make it valid, reasonable, and

enforceable. The parties intend that the restrictions imposed by this Agreement be given the construction that renders their provisions valid and enforceable to the maximum extent, not exceeding their express terms, possible under applicable Law.

9.6 Intentionally Omitted.

9.7 Name Change. Buyer shall cause each of the Purchased Entities, including those set forth on Schedule 9.7, to cease the use of "Avery Dennison" as part of its corporate or legal name within sixty (60) days after the Closing Date (or as soon thereafter as is practicable under applicable Law).

9.8 Further Assurances. If after Closing any further action is necessary, proper or desirable to carry out any purpose of this Agreement, then each party hereto will take such further action (including the execution and delivery of further documents) as the other parties hereto reasonably requests to carry out such purpose. The foregoing will be at the expense of such requesting party, except to the extent such requesting party is entitled to indemnification therefor or to the extent this Agreement otherwise allocates such expense to any other party.

9.9 Guarantee Obligations and Liens. Buyer and Parent shall cooperate and use reasonable best efforts to, and shall cause their respective controlled Affiliates to cooperate and use reasonable best efforts to: (x) terminate, or cause Buyer or any of its Affiliates to be substituted in all respects for Parent and its Affiliates (the "Parent Group") in respect of, all obligations of any member of the Parent Group under any Assumed Liabilities or Liabilities of a Purchased Entity for which such member of the Parent Group may be liable, as guarantor, original tenant, primary obligor or otherwise (including under any Financial Instrument), and (y) terminate, or cause Purchased Assets or assets of the Purchased Entities to be substituted in all respects for any Excluded Assets in respect of, any liens or encumbrances identified by Parent on Excluded Assets which are securing any Assumed Liabilities or Liabilities of a Purchased Entity. From and after the Closing Date, Buyer shall not, and shall not permit any of its Affiliates to, renew or extend the term of, increase its obligations under, or transfer to a third party, any loan, lease, contract or other obligation for which a member of the Parent Group is or may be liable or for which any Excluded Asset is or may be encumbered unless all obligations of the Parent Group and all liens and encumbrances on any Excluded Asset with respect thereto are thereupon terminated by documentation reasonably satisfactory in form and substance to Parent.

9.10 Notarization. Buyer shall have notarized at its sole expense (a) this Agreement or (b) if permitted under Spanish law, a separate short-form purchase agreement reflecting the applicable Buyer's acquisition of the Spanish Purchased Assets for the applicable portion of the Purchase Price, as a Spanish public document (*escritura pública*) before a Spanish notary public by granting a public deed in form reasonably satisfactory to Parent and Buyer ratifying the content of such agreement, acknowledging its obligations under such agreement and attaching such agreement to such public deed no later than one month prior to the Closing Date.

9.11 Transfer of Downgradient Property Status. After the Closing, the applicable Seller shall: (a) provide consent to transfer Downgradient Property Status (DPS) at the Holliston, MA Asset Sale Real Property to the applicable Buyer, (b) provide a certification to Buyer that DPS has been properly maintained at the Holliston, MA Asset Sale Real Property, and (c)

execute all other documents and otherwise provide assistance and cooperation to effect the transfer of DPS at the Holliston, MA Asset Sale Real Property to the applicable Buyer, as may be reasonably requested by Buyer.

ARTICLE 10.
TERMINATION

10.1 Termination Events. This Agreement may be terminated at any time prior to the Closing:

(a) by mutual agreement of Buyer Parent and Parent;

(b) by either Buyer Parent or Parent if the Closing has not occurred on or before October 31, 2013 (the "Outside Date"); provided, however, that the Outside Date will automatically be extended up to and including January 31, 2014, in the event that all conditions to Closing other than (i) those set forth in Sections 6.1(a) or 6.1(b) (the "Regulatory Conditions") or (ii) any other condition and/or covenant set forth in this Agreement the satisfaction or completion of which is dependent upon the prior satisfaction of the Regulatory Conditions (collectively, the "Contingent Conditions"), have been or are capable of being satisfied at the time of such extension and such Regulatory Conditions and/or Contingent Conditions have been or are reasonably capable of being satisfied or completed on or prior to January 31, 2014; provided, further that neither Buyer Parent nor Parent shall be entitled to terminate this Agreement pursuant to this Section 10.1(b) if such Person's breach of this Agreement has prevented the consummation of the Transactions;

(c) by Buyer Parent, if the representations and warranties of Parent shall not be true and correct or there has been a material violation or breach by any Seller of any covenant, representation or warranty contained in this Agreement, in each case, which has prevented the satisfaction of any condition to the obligations of Buyer Parent at the Closing and such failure, violation or breach has not been waived by Buyer Parent or cured by the Sellers within thirty (30) days after written notice thereof from Buyer Parent;

(d) by Parent, if the representations and warranties of Buyer Parent and Buyer shall not be true and correct or there has been a material violation or breach by Buyer Parent or Buyer of any covenant, representation or warranty contained in this Agreement, in each case, which would prevent the satisfaction of any condition to the obligations of the Sellers at the Closing and such failure, violation or breach has not been waived by the Sellers or cured by Buyer Parent or Buyer within thirty (30) days after written notice thereof by a Seller (provided that the failure of Buyer to deliver the Purchase Price pursuant to Section 1.5 at the Closing as required hereunder shall not be subject to cure hereunder unless otherwise agreed to in writing by Parent); or

(e) by either Buyer Parent or Parent if there shall be any Law that makes consummation of the Transactions illegal or if consummation of the Transactions would violate any final non-appealable Order of any Governmental Entity having competent jurisdiction.

10.2 Effect of Termination. The parties' termination rights under Section 10.1 are in addition to any other rights they may have under this Agreement or otherwise, and the exercise of a right of termination hereunder will not be an election of remedies. If this Agreement is terminated pursuant to Section 10.1, all further obligations of the parties hereto under this Agreement will terminate; provided, however, that if this Agreement is terminated by Buyer Parent, on the one hand, or Parent, on the other hand, because of the willful breach of this Agreement by the other or because one or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's failure to comply with any of their obligations under this Agreement, the terminating party's right to pursue all legal remedies will survive such termination unimpaired; provided further, that the provisions of Article 11 and the Confidentiality Agreement shall survive any termination of this Agreement.

ARTICLE 11.
MISCELLANEOUS

DEFINITIONS

11.1 Defined Terms.

(a) For purposes hereof, the following terms, when used herein with initial capital letters, shall have the respective meanings set forth herein:

"Affiliate" of a Person means any other Person that controls, is controlled by, or is under common control with, the first mentioned Person; provided, however, that for purposes of this Agreement, from and after the Closing, no Purchased Entity shall be deemed an Affiliate of Parent. For purposes of this definition, "control," when used with respect to any specified Person, means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person whether through ownership of voting securities or by contract or otherwise, and the terms "controlling" and "controlled by" have meanings correlative to the foregoing.

"Ancillary Agreements" shall mean the Transition Services Agreement, the Trademark Coexistence Agreement, the Cross License, the Supply Agreement and all instruments executed, filed or otherwise prepared, exchanged or delivered in accordance with this Agreement.

"Antitrust Approvals" shall mean the expiration or termination of any waiting period under any Antitrust Law.

"Antitrust Law" shall mean the HSR Act and the applicable merger-control Laws, or similar Laws relating to antitrust, competition or foreign investment, of such other jurisdictions as Parent and Buyer Parent reasonably agree are required in connection with the consummation of the Transactions.

"ARD Business Employees" shall mean those employees of Parent or any of its Subsidiaries who are assigned to the Businesses and whose employment is subject to the Transfer of Undertakings in connection with the Transactions.

"Australian Corporations Act" shall mean the Australian Corporations Act (Commonwealth) 2001.

"Australian Shares" shall mean 2000 fully paid founder shares and 3,538,957 fully paid ordinary shares, being all shares on issue in the capital of the Australia Entity.

"Avery Research Center" shall mean the research and development centers for the businesses of Avery and its Subsidiaries located at 2900 Bradley Street, Pasadena, CA 91107 and No. 9, YaoNing Road, Kunshan Economic & Technological Zone, Kunshan, Jiangsu Province, China.

"Balance Sheet Date" shall mean December 29, 2012.

"Books and Records" shall mean (i) all books, records and other documents in the possession or control of the Sellers and the Purchased Entities that are used primarily or held for use primarily in either of the Businesses, and (ii) the portions related to either of the Businesses of all other books, records and other documents in the possession or control of the Sellers that are used or held for use in both a Business and any business or operations conducted by Parent or any of its Subsidiaries other than the Businesses, but, in the case of clauses (i) and (ii), excluding all such books, records and other documents that are primarily related to Excluded Assets or Retained Liabilities. Notwithstanding the foregoing, "Books and Records" shall not include (A) information that, if delivered to Buyer in any form, would violate any privacy laws, regulations, rules, opinions, statements or positions, in each case of a Governmental Entity, (B) the corporate income Tax Returns (including any group filings to which the Purchased Entities are party) of entities other than the Purchased Entities or (C) employment records of employees of either of the Businesses (other than any such records that are provided to Buyer and its Affiliates pursuant to Section 9.1(b)(vi).

"Bulk Sales Legislation" shall mean the bulk sales Laws of any state in the United States, the Bulk Sales Act (Ontario) and the corresponding laws and regulations of any other jurisdiction, domestic or foreign.

"Business Accounting Practices and Procedures" means, with respect to a Business, the accounting methods, policies, practices and procedures used by the Sellers and such Business as applied in the preparation of the applicable Financial Statements, with such exceptions as set forth on Exhibit H.

"Business Day" shall mean any day other than a Saturday, Sunday or day on which banks are permitted to close in New York City, New York.

"Business Employee" shall mean (i) any person who is a current part-time or full-time employee of any Purchased Entity, (ii) any person (other than the ARD Business Employees) who is a current part-time or full-time employee of any Seller or any Affiliate thereof (other than the Purchased Entities) who is performing services primarily for the benefit of the Business, and (iii) any ARD Business Employee. For avoidance of doubt, the persons listed on Schedule 11.1(a) shall not be considered "Business Employees."

"Cash" shall mean cash (including deposits in transit), cash equivalents and marketable securities, net of all outstanding checks.

"Cash on Hand" shall mean the aggregate amount of Cash of the Purchased Entities as of the Determination Moment.

"CERCLA" shall mean the United States Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended.

"Closing Date" shall mean the date on which the Closing occurs.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commitment Letter" means the debt commitment letter to Buyer Parent and CCL Industries Corporation from Bank of Montreal, Bank of America N.A., Canada branch, Bank of Tokyo-Mitsubishi UFJ and The Bank of Nova Scotia dated as of January 28, 2013, as amended, supplemented or replaced in compliance with this Agreement or as required by Section 5.6 following a Financing Failure Event, pursuant to which the financial institutions party thereto have agreed, subject only to the Financing Conditions set forth therein, to provide or cause to be provided the debt financing set forth therein for the purposes of, among other things, financing the Transactions.

"Consent" shall mean any approval, consent, ratification, waiver, or other authorization from any Person (including any Governmental Authorization).

"Contract" shall mean any written or binding oral agreement, contract, note, loan, purchase order, letter of credit, indenture, security or pledge agreement, covenant not to compete, license, lease, commitment, promise or undertaking.

"Cross License" shall mean that agreement between Parent and Buyer by which certain patents and other intellectual property transferred to Buyer shall be licensed back to Parent and its Affiliates and certain patents and other intellectual property retained by Parent and its Affiliates shall be licensed to Buyer in the form attached hereto as Exhibit I.

"DES Manufacturing and Office Sites" shall mean the manufacturing and office sites identified on Schedule 11.1(b).

"DES Net Working Capital Amount" shall mean the amount of the current assets of the DES Business on a consolidated basis (calculated in accordance with Schedule 11.1(c)) determined in accordance with GAAP (except as indicated on Schedule 11.1(c)) applied consistently with the Business Accounting Practices and Procedures minus the amount of the current liabilities of the DES Business on a consolidated basis (calculated in accordance with Schedule 11.1(c)) determined in accordance with GAAP (except as indicated on Schedule 11.1(c)) applied consistently with the Business Accounting Practices and Procedures; provided, however, that in each case, if there is a conflict between GAAP and the Business Accounting Practices and Procedures, the Business Accounting Practices and Procedures shall control. Notwithstanding the foregoing, the calculation of these amounts shall take account of the agreement of the parties hereto to include or exclude the items set forth on Schedule 11.1(c).

"DES Products and Solutions" shall mean the following products and solutions, in each case, in finished form unless specified otherwise:

(i) pressure-sensitive postage stamps and ancillary legal tender products for sale to the United States Postal Service and postal authorities of other countries;

(ii) pressure-sensitive, self-adhesive battery labels and related specialty functional accessories such as testers and holders relating to batteries currently sold to or under development for The Proctor & Gamble Company;

(iii) customized Heat Seal™ labels, in mold, sonic weld, warning, instructional, security and tracking labels and other informational labels, airbag solutions (such as curtain wrap, Tyvek® Tapes and airbag covers), and other finished die-cut, converted label and functional (such as foam and flock for automotive interiors) products for automotive OEM and Tier 1 and other automotive suppliers;

(iv) wristband, patient tracking and patient identification solutions, tamper evident products (such as pill dose packaging), chart labels, IV and bloodbag labels, and mailers and forms for healthcare distributors, hospitals and other healthcare companies;

(v) pressure-sensitive printable media solutions relating to pricing, ticketing and product display solutions to retailers (referred to as "shelf-talkers," "shelf-markers," "end cap talkers," "violators" and "wobblers") sold under the Liveaisle™ brand, as well as mailers and forms;

(vi) proprietary valve solutions for steam and coffee packaging, sensor and vacuum technology, and oxygen valve technology for consumer goods, food, automotive and other vertically integrated businesses (including those sold under the Flexis™ brand);

(vii) finished label products and solutions and other specialty finished applications unique to DES (such as "Nesta") for use in various vertically integrated businesses, including electronics and white goods;

(viii) coated decorative films for architectural products sold under the Graphicolor® brand and other industrial applications such as structural coatings and specialty laminates, in finished or roll form;

(ix) paint protection films for automotive OEM's, various aftermarket automotive channels and other vertically integrated businesses, in each case sold under the Nano-Fusion™ brand (if coated) or referred to as AST, EST and REPO (if uncoated), in finished or roll form;

(x) pressure-sensitive labels currently sold to or under development for Monster Energy; and

(xi) form label combinations for pick, pack and shipping primarily for retailers,

in each case, solely to the extent manufactured, purchased or developed as of the date of this Agreement at one or more of the DES Manufacturing and Office Sites.

"Determination Moment" means 11:59 p.m. local time on the date immediately preceding the Closing Date, at the respective principal places of business of the Sellers and the Purchased Entities with respect to each country in which the Sellers and the Purchased Entities, as the case may be, have a place of business.

"Disclosure Letter" shall mean the disclosure letter prepared and delivered by the Sellers for and to Buyer Parent and dated as of the date of this Agreement which sets forth the exceptions to the representations and warranties contained herein and certain other information called for by this Agreement. Unless otherwise specified, each reference in this Agreement to any numbered schedule is a reference to that numbered schedule which is included in the Disclosure Letter. Information contained in the Disclosure Letter under any particular schedule or section is deemed disclosed with respect to other schedules and sections of the Disclosure Letter and other Sections of this Agreement where the applicability of such information to such other schedules or sections of the Disclosure Schedule or Section of this Agreement is reasonably apparent on its face, regardless of whether a cross-reference to the applicable schedule and/or section of the Disclosure Schedule or Section of this Agreement is actually made. Any matter disclosed in the Disclosure Letter shall not be deemed an admission or representation as to the materiality of the item so disclosed, and matters disclosed in the Disclosure Letter are not necessarily limited to matters required by this Agreement to be disclosed in the Disclosure Letter. Nothing in the Disclosure Letter constitutes an admission of any Liability or obligation of the Sellers or any Purchased Entity to any third party or shall confer or give to any third party any remedy, claim, Liability, reimbursement, cause of action or other right.

"Encumbrance" shall mean any charge, claim, lien, pledge, security interest, deed of trust, mortgage, right-of-way, easement, encroachment or servitude.

"Environmental Claim" means (A) any investigation, hearing, claim, demand, action, suit, notice of potential liability, or litigation by or from any Person asserting or seeking liability or potential liability (including liability or potential liability for enforcement, investigatory costs, cleanup costs, governmental response or oversight costs, property damage, personal injury, fines, penalties, or forfeiture), injunctive relief, declaratory relief, or demand or order of any Governmental Entity, based on the actual or alleged (i) discharge, emission, or Release of any Hazardous Materials at the Facilities or elsewhere, or (ii) violation of any Environmental Laws applicable to the Facilities or Environmental Permits required for the Facilities; or (B) the factual basis for any of the foregoing.

"Environmental Law" shall mean all applicable Laws regarding pollution or protection of the environment and human health, including (i) Laws regarding emissions, discharges, or Releases of Hazardous Materials into the environment, the cleanup or abatement of environmental contamination, and the recovery of the cost of cleanup and damage to natural resources, (ii) Environmental Permits and (iii) Laws relating to the identification, generation, manufacture, processing, distribution, use, treatment, storage, disposal, recovery, transport or other handling of pollutants, contaminants, chemicals, industrial materials, sewage, wastes or

other substances. Environmental Laws shall include CERCLA, the Federal Water Pollution Control Act (33 U.S.C. § 1251 et seq.), the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., as amended, the Safe Drinking Water Act (21 U.S.C. § 349, 42 U.S.C. §§ 201, 300f), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), Emergency Planning and Community Right-to-Know Act

(42 U.S.C. § 11001 et seq., Occupational Safety and Health Act (29 U.S.C. § 650 et seq.); any other similar foreign, federal, state or local Law of similar effect, each as amended; and all regulations, guidance, orders promulgated or issued pursuant to any of the foregoing.

"Environmental Permits" shall mean all licenses, permits, authorizations, or consents from any Governmental Entity required for the conduct of the Businesses or the operation of the Facilities under Environmental Laws.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974 or any successor law, and regulations and rules issued pursuant to that Act or any successor law.

"Excluded Pension Liabilities" shall mean any obligation to provide payments to any eligible employee of either of the Businesses pursuant to the defined benefits plans of Sellers and their Affiliates other than (i) any such obligation which transfers to Buyer or any Affiliate thereof as a matter of law (including obligations with respect to employees of the OCP Business in Mexico and Switzerland, but excluding any Liabilities relating to: (a) any pension plan subject to ERISA, and (b) any German pension plan to the extent covering inactive employees as of the Closing Date), (ii) the French Pension Plan and (iii) the German Pension Plans.

"Facility" shall mean each plant, office, warehouse, distribution facility and manufacturing facility owned or operated by any Sellers (solely comprising Purchased Assets) or any Purchased Entities, including in each case all real property owned, operated, or used thereby.

"Financial Instrument" shall mean credit facilities, guarantees, commercial paper, interest rate swap agreements, foreign currency forward exchange contracts, letters of credit, surety bonds and similar instruments.

"Financing" shall mean the debt financing incurred or intended to be incurred pursuant to the Commitment Letter.

"Financing Conditions" shall mean with respect to the Financing, the conditions precedent set forth in paragraphs (a) through (e) on pages 1 and 2 of the Commitment Letter.

"Financing Documents" means the agreements, documents and certificates contemplated by the Financing.

"Financing Failure Event" shall mean any of the following: (a) the commitments with respect to all or any portion of the Financing expiring or being terminated, (b) for any reason, all or any portion of the Financing becoming unavailable, (c) a breach or repudiation by any party to the Commitment Letter, or (d) it becoming reasonably foreseeable that any of the events set forth in clauses (a) through (c) shall occur, or (e) any party to the Commitment Letter or any Affiliate or agent of such Person shall allege that any of the events set forth in clauses (a) through (c) has occurred.

"French Pension Plan" shall mean mandatory basic pension scheme, mandatory complementary pension schemes provided by quasi-governmental agencies (Agirc and Arrco), mandatory retirement indemnities and any supplementary pension scheme subscribed by France Entity in application of Article 83 of the French General Tax Code.

"GAAP" shall mean the United States generally accepted accounting principles and practices applied on a consistent basis.

"German Assets" means the Purchased Assets sold by Avery Dennison Europe Holding (Deutschland) GmbH & Co KG and the assets of Avery Dennison Zweckform Office Products Manufacturing GmbH.

"German Pension Plans" shall mean the following with respect solely to active employees of the applicable entity as of the Closing Date: (i) the pension liabilities based on direct promises sponsored by Avery Dennison Zweckform Office Products Europe GmbH and (ii) pension liabilities based on direct promises of Avery Dennison Zweckform Office Products Manufacturing GmbH sponsored by Avery Dennison Zweckform Office Products Manufacturing GmbH.

"German Pension Shortfall Amount" shall mean the actuarial value of the accounting shortfall of the German Pension Plans as of the Determination Moment as determined using GAAP by an independent actuary to be mutually agreed upon by the parties, which determination shall have occurred prior to the final determination of the other components of the Final Adjustment Amount in accordance with Section 1.6(a).

"Governmental Authorization" shall mean any Consent, license or permit issued, granted, given or otherwise made available by or under the authority of any Governmental Entity or pursuant to any Law.

"Governmental Entity" shall mean any national, federal, state, provincial, county, municipal or local government, foreign or domestic, or the government of any political subdivision of any of the foregoing, or any agency, ministry or other similar body exercising executive, legislative, judicial, arbitral, regulatory or administrative authority or functions of government, including any arbitrator, authority or other quasi-governmental entity established to perform any of such functions.

"GVATA" means the German Value Added Tax Act (*Umsatzsteuergesetz*).

"Hazardous Material" shall mean any substance that is listed, defined, designated, regulated, or classified as, or otherwise determined to be, hazardous, radioactive, infectious, reactive, corrosive, ignitable, flammable or toxic or a pollutant or a contaminant subject to regulation, control or remediation under any Environmental Law; any solid or hazardous waste; petroleum or any of its derivatives; asbestos; and polychlorinated biphenyls.

"HMRC" shall mean Her Majesty's Revenue & Customs.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

"Indebtedness" means with respect to any Person, without duplication, the sum of (i) all obligations of such Person for borrowed money and any accrued interest or prepayment premiums related thereto, (ii) all obligations of such Person as lessee or lessees under leases primarily related to either of the Businesses that have been recorded as capital leases in accordance with GAAP, (iii) all obligations of such Person under notes, bonds and debentures, (iv) all payment obligations under any interest rate swap agreements or interest rate hedge agreements to which such Person is party, (v) solely with respect to the Purchased Entities, the unpaid fees and expenses incurred on or before the Closing Date and payable by any Seller (to the extent such Seller seeks reimbursement for any fee or expense from a Purchased Entity) or any Purchased Entity to any investment banker, financial adviser, attorney, accountant or other adviser in connection with the Transactions (the total amount of such fees and expenses described in this clause (v), the "Transaction Expenses") and (vi) all obligations of the type described in clauses (i) through (v) above of any Person (other than the referent Person) the payment of which is guaranteed by the referent Person. For the avoidance of doubt, Indebtedness shall not include any (a) guarantees, letters of credit, performance bonds, sureties and/or similar obligations of any kind or nature issued by or on behalf of any of the Purchased Entities in connection with any customer contracts, proposals or otherwise; or (b) intercompany accounts, payables or loans of any kind or nature that are included in the Net Intercompany Payables Amount or the Net Working Capital Amount.

"Indebtedness Payoff Amount" means: (a) the amount required to repay all Indebtedness of the Purchased Entities, (b) all Indebtedness of the Sellers under leases that constitute Purchased Assets and that have been recorded as capital leases in accordance with GAAP and (c) the amount required to pay off or buy out the leases set forth in Schedule 10.1, in each case, outstanding as of immediately prior to the Closing.

"Insurance Policies" shall mean any insurance policy or contract of insurance of any Seller or any of its Subsidiaries in connection with the Businesses.

"Intellectual Property" shall mean all worldwide: (a) inventions, concepts, and discoveries (whether or not patentable and whether or not reduced to practice), improvements thereto, and patents, patent applications, design patents, design patent applications, industrial design registrations, and industrial design applications, and other rights of invention, worldwide, including any reissues, divisions, continuations and continuations-in-part, provisionals, reexamined patents or other applications or patents claiming the benefit of the filing date of any such application or patent; (b) trademarks, service marks, trade names, product configurations, trade dress, logos, and product names, including any common law rights, registrations, and applications for registration for any of the foregoing, and the goodwill associated with all of the foregoing, worldwide; (c) copyrightable works, all rights in copyrights, including website content, packaging design and art work, and other rights of authorship and exploitation, and any applications, registrations and renewals in connection therewith, worldwide; (d) confidential and proprietary information, including trade secrets, customer and supplier lists and related information, pricing and cost information, business and marketing plans, research and development, advertising statistics, any other financial, marketing and business data, technical data, specifications, designs, drawings, methods, schematics and know-how; (e) Internet domain names and registrations therefor; (f) to the extent not covered by subsections (a) through (e), above, software and websites (including all related computer code and content); and (g) any

other proprietary, intellectual property and other rights relating to any or all of the foregoing anywhere in the world.

"Intellectual Property Assets" shall mean (i) Intellectual Property exclusively used in either of the Businesses and the Intellectual Property used primarily in either of the Businesses set forth on Schedule 1.1(b)(vii), in each case, owned by or licensed to any Seller, and (ii) all Intellectual Property owned by or licensed to any Purchased Entity, but in each case excluding any Intellectual Property included within the definition of Excluded Assets.

"Intercompany Arrangements" shall mean without duplication (i) all Contracts of any type between any of the Sellers or any of their Affiliates (other than the Purchased Entities), on the one hand, and any of the Purchased Entities with respect to either of the Businesses, on the other hand, except for those contemplated by the Ancillary Agreements, and (ii) all self-insurance plans, policies or programs and all captive insurance plans, policies or programs, in each case existing immediately prior to the Closing and pursuant to which, and to the extent that, Sellers or any of their Affiliates (other than the Purchased Entities) provide coverage of any type to the Purchased Entities or the Businesses.

"Intercompany Payables" shall mean all accounts and notes payable of, without duplication, the Purchased Entities and the Businesses to Parent and its Subsidiaries (excluding, without duplication, any accounts and notes payable to (i) any of the Purchased Entities or the Businesses or (ii) Materials Group).

"Intercompany Receivables" shall mean all accounts and notes receivable of, without duplication, the Purchased Entities and the Businesses from Parent and its Subsidiaries (excluding, without duplication, any accounts and notes receivable from any of the Purchased Entities or the Businesses).

"IRS" shall mean the United States Internal Revenue Service or any successor agency.

"Knowledge of the Sellers" shall mean (i) with respect to the OCP Business, the actual knowledge, after due inquiry, of Tim Bond, Ron Briskie, Amy Ladwig, Joe Moffa, Allison Phillips, Todd Thompson, Kathy Kuhn, Todd George, Scott Snyder, Hans-Guenther Klenk, Mel Mormech, Maricel Pedrals, John McConville, and Bijal Shah and (ii) with respect to the DES Business, the actual knowledge, after due inquiry of Terry Hemmelgarn, Scott Snyder, Mark McClendon, Christopher Ling, Carl Dodson and Robert Ferrario. As used herein, the phrase "due inquiry" shall mean, with respect to any Person, such Person's inquiry of direct reports who would reasonably be expected to have actual knowledge of relevant facts and circumstances, but shall not mean such Person's inquiry of Governmental Entities or other third parties.

"Label Pad Products" shall mean the label pad and label pad book products consisting of removable adhesive linerless padded paper products and related products as exemplified by those products set forth on Exhibit J.

"Law" shall mean any applicable federal, state, provincial, local, municipal, foreign, international, multinational or other law, ordinance, statute, rule, regulation, treaty or code.

"Legal Proceeding" shall mean any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal or administrative) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Entity or arbitrator.

"Lenders" shall mean the Persons who are providing the Commitment Letter and the monies to be provided to Buyer in the Financing, as indicated therein, and each of them shall be a "Lender."

"Liability" shall mean any direct or indirect liability, indebtedness, obligation, commitment, expense, claim, deficiency or guaranty of or by any Person of any type, whether known, unknown, accrued, absolute, contingent, matured or unmatured.

"Material Adverse Effect" shall mean any change, effect, event or occurrence that has a material adverse effect on the assets, financial condition, or results of operations of the Businesses taken as a whole; provided, however, that none of the following shall be deemed in themselves, either alone or in combination, to constitute, and none of the following shall be taken into account in determining whether there has been or will be, a Material Adverse Effect: (a) the announcement or pendency or consummation of the Transactions, including any related losses or threatened losses of employees, customers, suppliers, distributors or others having relationships with the Sellers or the Purchased Entities with respect to either of the Businesses; (b) any change, effect, event or occurrence in any industry in which either of the Businesses participates, the U.S. economy or any other economy where either of the Businesses conducts business (in each case, as a whole) or the capital, banking or financing markets in general or the markets in which either of the Businesses operates or any geographical area in which either of the Businesses conducts its business (provided that such change, effect, event or occurrence does not have a materially disproportionate effect, relative to other participants in the industries in which the Businesses participate (in which case, solely the incremental disproportionate effect or effects may be taken into account in determining whether there has been, or will be, a Material Adverse Effect)); (c) any "act of God" including weather, natural disasters and earthquakes, hostilities, acts of war, sabotage or terrorism or military actions or any escalation or material worsening of any such hostilities, acts of war, sabotage or terrorism or military actions, whether or not occurring or commenced before or after the date of this Agreement; (d) any change in global, national or regional political conditions; (e) any change in accounting requirements or principles (including GAAP) or any change in any applicable Laws, rules or regulations or the interpretation thereof; (f) any failure by either of the Businesses or the Purchased Entities to meet any internal projections or forecasts and seasonal changes in the results of operations of either of the Businesses (provided that the causes of any such failure, unless otherwise excepted by this definition, may be taken into consideration in determining whether there has been or will be a Material Adverse Effect); (g) conduct by the Sellers or any of their Affiliates to which Buyer Parent gave its prior written consent; (h) any action required to be taken under any Law, Order or any existing Contract by which the Sellers or any of their Affiliates are bound with respect to either of the Businesses; (i) any matter set forth in the Disclosure Letter (but only to the extent the consequences of such matter are described in the Disclosure Letter or are otherwise reasonably apparent from such disclosure); or (j) any adverse change, effect, event, occurrence, state of facts or development arising from or relating to compliance with the express terms of this Agreement.

"Net Intercompany Payables Amount" means the amount of Intercompany Payables outstanding as of the Determination Moment *minus* the amount of Intercompany Receivables outstanding as of the Determination Moment, in each case after giving effect to the settlement or cancellation of Intercompany Payables and Intercompany Receivables prior to the Closing pursuant to Section 5.6. For the avoidance of doubt, the Net Intercompany Payables Amount may be less than zero.

"Net Working Capital Amount" shall mean, collectively, the OCP Net Working Capital Amount and the DES Net Working Capital Amount.

"Note Tabs Products" shall mean the removable adhesive translucent plastic tabbed padded products, books, dispensers and related products as exemplified by those products set forth on Exhibit K.

"OCP Channels" shall mean the following global channels: (i) retail stores, defined as office superstores (including Staples, Office Depot, Office Max, Officeworks), mass market stores (including Walmart, Target, Kmart, Carrefour), grocery stores (including Kroger, Food Lion), drug stores (including Walgreen's, CVS), club stores (including Costco, Sam's), convenience stores (including 7-11), home improvement stores (including Home Depot, Lowes, Menards), craft stores (including Michael's, Jo-Ann Fabrics), specialty retail stores (including Container Store, Bed, Bath and Beyond, Crate and Barrel), card and stationery stores (including Hallmark, American Greetings), department stores (including Macy's), hardware stores (including Ace, True Value), dollar stores (including Dollar General, Dollar Tree, Family Dollar) and educational retail stores (including Lifetime Learning), (ii) office and consumer products wholesalers (including United Stationers, S. P. Richards, W. B. Mason), (iii) office and consumer product catalogs, and (iv) on-line and mail order businesses (including Avery.com, Staples.com, Amazon.com, Wal-Mart.com, Quill.com, Lyreco.com), to the extent of such businesses' office and consumer products offerings.

"OCP Net Working Capital Amount" shall mean the amount of the current assets of the OCP Business on a consolidated basis (calculated in accordance with Schedule 11.1(d)) determined in accordance with GAAP (except as indicated on Schedule 11.1(d)) applied consistently with the Business Accounting Practices and Procedures minus the amount of the current liabilities of the OCP Business on a consolidated basis (calculated in accordance with Schedule 11.1(d)) determined in accordance with GAAP (except as indicated on Schedule 11.1(d)) applied consistently with the Business Accounting Practices and Procedures; provided, however, that in each case, if there is a conflict between GAAP and the Business Accounting Practices and Procedures, the Business Accounting Practices and Procedures shall control. Notwithstanding the foregoing, the calculation of these amounts shall take account of the agreement of the parties hereto to include or exclude the items set forth on Schedule 11.1(d).

"Order" shall mean any award, decision, injunction, judgment, order, ruling, subpoena or verdict entered, issued, made or rendered by any court, administrative agency or other Governmental Entity or by any arbitrator.

"Organizational Documents" shall mean (a) the articles or certificate of incorporation, all certificates of determination and designation, and the bylaws of a corporation;

(b) the partnership agreement and any statement of partnership of a general partnership; (c) the limited partnership agreement and the certificate or articles or declaration of limited partnership of a limited partnership; (d) the operating agreement, limited liability company agreement and the certificate or articles of

organization or formation of a limited liability company; (e) the declaration of trust or similar document of any trust; (f) any charter or similar document adopted or filed in connection with the creation, formation or organization of a Person; and (g) any amendment to any of the foregoing.

"Other Products" shall mean products other than Printable Media Products that were or are reasonably similar in form or function to the products developed (or under development), manufactured, marketed, distributed or sold by the OCP Business as of the date hereof. Other Products include: (i) organization, presentation and filing products (including indexes, dividers, binders, file folders, report covers and sheet protectors); (ii) writing instruments (including markers, highlighters and stick pens); (iii) stamp products; (iv) organization and identification products for professionals and individuals in the home, office and on-the-go; (v) organization, identification and other products related to education and learning; and (vi) all other products intended for office or consumer use (including consumer glue products such as glue sticks or bottled glue for arts and crafts).

"Parent Transaction" shall mean (i) any merger, consolidation, business combination or similar transaction or series of related transactions of Parent the result of which is that holders of the voting securities of Parent immediately prior to the consummation of such transaction or related transactions hold, directly or indirectly, immediately following the consummation of such transaction or related transactions, less than a majority of the outstanding voting power of Parent or the surviving entity in such transaction or series of related transactions; (ii) any issuance or sale by Parent of new shares of capital stock or new equity interests of Parent; (iii) any transfer or sale of outstanding shares of capital stock or outstanding equity interests of Parent by the holders thereof; or (iv) the sale of any assets of Parent.

"Parties" shall mean the parties to this Agreement.

"Permits" shall mean all licenses, permits, franchises, approvals, authorizations, certificates, easements, variances, exemptions, Consents or orders of, or filings with, any Governmental Entity, or any other Person, necessary for the present conduct of, or primarily related to the operation of, either of the Businesses under any Laws including any Environmental Permits.

"Permitted Encumbrances" shall mean (i) any restriction on transfer arising under applicable securities Law; (ii) liens for current Taxes or other governmental charges not delinquent or the amount or validity of which is being contested in good faith by appropriate proceedings by any of the Sellers or Purchased Entities or disclosed on Schedule 3.8; (iii) mechanics', carriers', workers', repairers', landlords' and similar statutory liens arising or incurred in the ordinary course of business for amounts which are not delinquent or the amount or validity of which is being contested in good faith by appropriate proceedings by any of the Sellers or Purchased Entities; (iv) zoning, entitlement, building and other land use regulations imposed by Governmental Entities having jurisdiction over the Owned Real Property or any leased real property related to either of the Businesses; (v) covenants, conditions, restrictions,

easements, rights of way, servitudes and other similar matters of record affecting title to the Owned Real Property or any leased real property related to either of the Businesses which do not materially impair the occupancy or use of the Owned Real Property or any leased real property related to either of the Businesses for the purposes for which it is currently used in connection with the operation of either of the Businesses; (vi) Encumbrances arising under worker's compensation, unemployment insurance, social security, retirement and similar legislation; (vii) liens securing rental payments under capital lease arrangements; (viii) Encumbrances of lessors and licensors arising under lease agreements or license arrangements; (ix) Encumbrances affecting or encumbering the right, title and/or interest of the landlord/fee owner with respect to the leased real property related to either of the Businesses; and (x) other Encumbrances not materially adverse to the Businesses, individually or in the aggregate, except any Encumbrance affecting marketable title or use of the applicable real property.

"Person" shall mean any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union or other entity or Governmental Entity.

"Post-Closing Tax Period" shall mean any Tax period beginning after the Closing Date and that portion of any Straddle Period beginning after the Closing Date.

"Pre-Closing Tax Period" shall mean any Tax period ending on or before the Closing Date and the portion of any Straddle Period ending on the Closing Date.

"Printable Media Products" shall mean (i) printable media products, including all labels, cards and badges including: addressing labels, shipping labels, organizing labels, special occasion labels, business cards, greeting cards, note cards, postcards, rotary cards, name badges, and mini flexible name badges, in any form including, but not limited to, sheeted, roll good, pad and individual form, for use with any non-industrial printing technology including, but not limited to, laser, inkjet and handwriting; as well as all label, card and badge accessories; (ii) printable media product templates; and (iii) any new, improved or other product relating to any of the foregoing Printable Media Products manufactured, marketed, distributed or sold by the OCP Business as of the date hereof.

"Property Tax" shall mean all real property Taxes, personal property Taxes and similar ad valorem Taxes.

"Release" shall mean any spilling, leaking, pumping, pouring, injecting, emitting, discharging, depositing, escaping, leaching, dumping or other releasing into the environment, whether intentional or unintentional.

"Representative" shall mean any officer, director, principal, legal counsel, agent, employee or other representative.

"Restricted DES Products and Solutions" shall mean the following products and solutions, in each case, in finished form unless specified otherwise:

(i) pressure-sensitive postage stamps and ancillary legal tender products for sale to the United States Postal Service and postal authorities of other countries;

(ii) pressure-sensitive, self-adhesive battery labels and related specialty functional accessories such as testers and holders relating to batteries currently sold to or under development for The Proctor & Gamble Company;

(iii) customized Heat Seal™ labels, in mold, sonic weld, warning, instructional, security and tracking labels and other informational labels, airbag solutions (such as curtain wrap, Tyvek® Tapes and airbag covers), and other finished die-cut, converted label and functional (such as foam and flock for automotive interiors) products for automotive OEM and Tier 1 and other automotive suppliers;

(iv) wristband, patient tracking and patient identification solutions, tamper evident products (such as pill dose packaging), chart labels, IV and bloodbag labels, and mailers and forms for healthcare distributors, hospitals and other healthcare companies;

(v) pressure-sensitive printable media solutions relating to pricing, ticketing and product display solutions to retailers (referred to as "shelf-talkers," "shelf-markers," "end cap talkers," "violators" and "wobblers") sold under the Liveaisle™ brand, as well as mailers and forms;

(vi) proprietary valve solutions for steam and coffee packaging, sensor and vacuum technology, and oxygen valve technology for consumer goods, food, automotive and other vertically integrated businesses (including those sold under the Flexis™ brand);

(vii) finished label products and solutions and other specialty finished applications unique to DES (such as "Nesta") for use in various vertically integrated businesses, including electronics and white goods;

(viii) coated decorative films for architectural products sold under the Graphicolor® brand and other industrial applications such as structural coatings and specialty laminates, in finished or roll form;

(ix) paint protection films for automotive OEM's, various aftermarket automotive channels and other vertically integrated businesses, in each case sold under the Nano-Fusion™ brand (if coated) or referred to as AST, EST and REPO (if uncoated), in finished or roll form;

(x) pressure-sensitive labels currently sold to or under development for Monster Energy; and

(xi) form label combinations for pick, pack and shipping primarily for retailers,

in each case, solely to the extent (x) manufactured, purchased or developed as of the date of this Agreement at one or more of the DES Manufacturing and Office Sites or (y) contemplated as of the date hereof to be manufactured, purchased or developed by the DES Business.

"Restricted Other Products" shall mean products other than Restricted Printable Media Products that were or are reasonably similar in form or function to the products developed (or under development), manufactured, marketed, distributed or sold by the OCP Business as of the date hereof or contemplated to be manufactured, marketed, distributed or sold by the OCP Business as of the date hereof. Restricted Other Products include: (i) organization, presentation and filing products (including indexes, dividers, binders, file folders, report covers and sheet protectors); (ii) writing instruments (including markers, highlighters and stick pens); (iii) stamp products; (iv) organization and identification products for professionals and individuals in the home, office and on-the-go; (v) organization, identification and other products related to education and learning; (vi) all other products intended for office or consumer use (including consumer glue products such as glue sticks or bottled glue for arts and crafts).

"Restricted Printable Media Products" shall mean (i) printable media products, including all labels, cards and badges including: addressing labels, shipping labels, organizing labels, special occasion labels, business cards, greeting cards, note cards, postcards, rotary cards, name badges, and mini flexible name badges, in any form including, but not limited to, sheeted, roll good, pad and individual form, for use with any non-industrial printing technology including, but not limited to, laser, inkjet and handwriting; as well as all label, card and badge accessories; (ii) printable media product templates; and (iii) any new, improved or other product relating to any of the foregoing Restricted Printable Media Products manufactured, marketed, distributed or sold by the OCP Business as of the date hereof or contemplated to be manufactured, marketed, distributed or sold by the OCP Business as of the date hereof.

"Straddle Period" shall mean any Tax period beginning before and ending after the Closing Date.

"Subsidiary" shall mean, with respect to any Person of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof or (ii) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof and for this purpose, a Person or Persons owns a majority ownership interest in such a business entity (other than a corporation) if such Person or Persons shall be allocated a majority of such business entity's gains or losses or shall be or control any managing director or general partner of such business entity (other than a corporation).

"Supply Agreement" means the Supply Agreement in the form attached hereto as Exhibit F.

"Target DES Net Working Capital Amount" means $16,359,000.

"Target OCP Net Working Capital Amount" means $51,568,000.

"Tax" or "Taxes" shall mean any federal, state, provincial, local or foreign taxes, charges, fees, duties, levies or other assessments including income, gross receipts, license, payroll, employment-related, excise, goods and services, harmonized sales, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security, unemployment, disability, real property, personal

property, sales, use, transfer, land value, registration, value added, unclaimed property, escheat, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

"Tax Return" means any return, declaration, report, claim for refund, or information return or statement related to Taxes or any other information or filing required to be supplied to any Taxing authority, including any schedule or attachment thereto, and including any amendment thereof.

"TOGC" means a supply that is treated neither as a supply of goods nor services for the purposes of VAT pursuant to Article 19 of EC Council Directive 2006/112 or any similar or analogous rules in any jurisdiction, including the provisions at both section 49(1) of UKVATA and article 5 of the Value Added Tax (Special Provisions) Order 1995 SI 1995/1268 and in Section 1 para. 1a sent. 1 GVATA.

"Trademark Coexistence Agreement" shall mean the Trademark Coexistence Agreement in the form attached hereto as Exhibit G.

"Transactions" shall mean the acquisition of the Purchased Stock, the Purchased Assets and the other transactions contemplated by this Agreement and the Ancillary Agreements.

"Transfer of Undertakings" shall mean Council Directive 2001/23/EC of 12 March 2001 on the approximation of the Laws of the member states of the European Union relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses, relevant implementing legislation and any equivalent legislation in any other jurisdiction.

"Transferring Pension Plans" shall mean the French Pension Plan and the German Pension Plans.

"Transition Services Agreement" shall mean the Transition Services Agreements in the form attached as Exhibit E.

"Treasury Regulations" shall mean the Treasury Regulations promulgated under the Code.

"UK" means the United Kingdom.

"UK Assets" means the Purchased Assets sold by Avery Dennison Office Products Manufacturing U.K. Ltd., Avery Dennison U.K. II Limited and Avery Dennison U.K. Limited pursuant to this Agreement.

"UKVATA" means the UK Value Added Tax Act 1994.

"VAT" means value added tax imposed in any member state of the European Union pursuant to the VAT Directive and any other sales or turnover tax of a similar nature imposed in any country that is not a member of the European Union together with all penalties or interest thereon or any tax of a similar nature which may be substituted for or levied in addition to it.

"VAT Directive" means EC Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax and national legislation implementing that Directive or any predecessor to it or supplemental to that Directive.

(b) Each capitalized term listed below is defined in the corresponding Section of this Agreement:

Term	Section No.
2011 and 2012 OCP Financial Statements	3.4(a)
Agreement	Preamble
Allocation	1.7(a)
Anti-Corruption Laws	3.10(c)
Applicable Delaware Court	11.11
Asset Sale Real Property	1.1(b)(i)
Assignment and Assumption of Contract Rights and Obligations	2.2(c)
Assignment of Patents and Assignment of Trademarks	2.3(a)(iii)
Assumed Contracts	1.1(b)(iv)
Assumed Lawsuits	1.1(b)(xv)
Assumed Liabilities	1.3
Assumption Agreement	2.2(b)
Australia Entity	1.1(a)(i)
Australia Entity Seller	1.1(a)(i)
Austria Entity	1.1(a)(ii)
Austria Entity Seller	1.1(a)(ii)
Avery Corp.	1.1(a)(vi)
Avery Dennison Canada	3.8(e)
Balance Sheets	3.4(a)
Businesses	Recitals
Buyer	Preamble
Buyer 401(k) Plan	9.1(e)
Buyer Indemnified Parties	7.2(a)
Buyer Parent	Preamble
Buyer Plans	9.1(c)(ii)
Buyer Swiss Plan	9.1(f)(iii)
Canadian Predecessor Pension Plan	9.1(f)
Canadian Successor Pension Plan	9.1(f)
Cap	7.2(b)

Purchased Entities	1.1(b)
Purchased Entity Employees	9.1(b)(ii)
Purchased Entity Plans	3.9(a)
Purchased Stock	1.1(b)
RBIS	Recitals
Real Property Leases	3.6(b)
Recipient Party	9.2
Recorded Document	5.5(a)
Regulatory Conditions	10.1(b)
Restricted Businesses	9.4(a)
Restricted DES Business	9.4(a)
Restricted OCP Business	9.4(a)
Restricted OCP Products	9.4(a)
Restricted Party	9.4(a)
Retained Liabilities	1.4
Retained Mexican Plan	9.1(f)(iv)
Retained Pension Plan	9.1(f)(ii)
Retained Swiss Plan	9.1(f)(iii)
Scope of Work	5.1
Section 9.2 Information	9.2
Securities Act	4.6
Seller 401(k) Plan	9.1(e)
Seller Indemnified Parties	7.3(a)
Sellers	Preamble
Survey	5.5(b)
Survival Date	7.1
Tangible Personal Property	1.1(b)(ii)
Target Date	1.6(b)
Tax Benefit	7.6

Tax Contest	8.7
Third Party Claim	7.5(a)
Title Commitment	5.5(a)
Title Insurer	5.5(a)
Transaction Bonus Agreement	1.3(iii)(A)(y)
Transaction Expenses	11.1(a)
Transfer Date	9.1(e)
Transfer Tax Returns	8.2(b)
Transfer Taxes	8.2(a)
Transferring Employees	9.1(b)(iv)
Transferred Executives	9.1(b)(iv)
Vancive Medical	Recitals
WARN	9.1(d)

11.2 Notices. All notices, requests, demands, Claims and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy; the day after it is sent, if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); and five (5) Business Days after the date mailed by certified or registered mail, postage prepaid, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to:

If to any Seller or Parent, addressed to:

Avery Dennison Corporation
150 N. Orange Grove Blvd.
Pasadena, CA 91103
Attn: General Counsel
Telephone: (626) 304-2000
Fax: (626) 304-2108

with a copy to (which shall not constitute notice):

Latham & Watkins LLP
355 South Grand Avenue
Los Angeles, CA 90071
Attn: Scott Hodgkins and Jeffrey L. Kateman
Telephone: (213) 891-8739 and (213) 891-8705
Fax: (213) 891-8763

If to Buyer, addressed to:

CCL Industries Inc.
c/o CCL Label, Inc.
161 Worcester Road, Suite 502
Framingham, Massachusetts 01701
Attn: President
Telephone: (508) 872-4511 ext. 404
Fax: (508) 872-7671

with a copy to (which shall not constitute notice):

CCL Industries Inc.
105 Gordon Baker Road
Willowdale, Ontario M2H3P8
Canada
Attn: General Counsel
Telephone: (416) 756-8546
Fax: (416) 756-8548

and with a copy to (which shall not constitute notice):

Warner Norcross & Judd LLP
900 Fifth Third Center
111 Lyon Street, NW
Grand Rapids, Michigan 49503
Attn: Stephen R. Kretschman
Telephone: (616) 752-2124
Fax: (616) 222-2124

or to such other place and with such other copies as either party may designate as to itself by written notice to the others.

11.3 Titles; References. The titles, captions or headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. All references to dollars in this Agreement and the Ancillary Agreements shall be deemed to refer to such amounts in United States Dollars and all references to days or months shall be deemed references to calendar days or months. Unless the context otherwise requires, any reference to a "Section," "Exhibit," or "Schedule" shall be deemed to refer to a section of this Agreement, exhibit to this Agreement or a schedule to this Agreement, as applicable. Any reference to any federal, state, provincial, county, local or foreign statute or Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. For all purposes of and under this Agreement, (i) the word "including" shall be deemed to be immediately followed by the words "without limitation"; (ii) words (including defined terms) in the singular shall be deemed to include the plural and vice versa; (iii) words of one gender shall be deemed to include the other gender as the context requires; (iv) "or" is not exclusive; and (v) the terms "hereof,"

"herein," "hereto," "herewith" and any other words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including the exhibits hereto and the Disclosure Letter) and not to any particular term or provision of this Agreement, unless otherwise specified.

11.4 Entire Agreement. This Agreement, including the Annexes and the Exhibits hereto, the Disclosure Letter and the other agreements, documents and written understandings referred to herein or otherwise entered into or delivered by the parties hereto on the date of this Agreement (including the Ancillary Agreements), together with the Confidentiality Agreement, constitute the entire agreement among the parties hereto and supersede all other prior covenants, agreements, undertakings, obligations, promises, arrangements, communications, representations and warranties, whether oral or written, by any party hereto or by any director, officer, employee, agent, Affiliate or Representative of any party hereto.

11.5 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any party hereto without the prior written consent of the other parties hereto; provided that Buyer may assign its rights and interests to any of its Affiliates unless such assignment would prevent, delay or otherwise interfere with the consummation of any of the Transactions. No such assignment shall release the assignor from any of its obligations hereunder. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the parties hereto or their respective successors and permitted assigns, any rights, remedies or liabilities under or by reason of this Agreement, other than (i) sections which are specifically for the benefit of Seller Indemnified Parties or the Buyer Indemnified Parties, (ii) Section 3.19 (No Other Representation and Warranties), Section 9.6 (Indemnification of Offers and Directors), this Section 11.5 and Section 11.15 (Representation by Counsel), each of which is intended to be for the benefit of the Persons covered thereby or to be paid thereunder and may be enforced by such Persons and (iii) with regard to Section 11.6 and Section 11.17, each of which is intended to be for the benefit of each Lender, and its Affiliates and Representatives.

11.6 Amendment or Modification. This Agreement may not be amended except in an instrument in writing signed on behalf of each of Buyer Parent and Parent. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by (i) in the event that Buyer is to be bound by the terms of such amendment, supplement, modification or waiver, Buyer Parent or (ii) in the event that any Seller is to be bound by the terms of such amendment, supplement, modification or waiver, Parent. Notwithstanding the foregoing, no amendment or waiver with respect to any provision in Section 7.2(b) (solely to the extent such amendment or waiver relates to an increase on the aggregate liability of Buyer Indemnified Parties), Section 11.5, this Section 11.6, or Section 11.17, to the extent such amendment or waiver impacts the rights or remedies available to each Lender, shall be valid or enforceable without the prior written consent of the Lenders.

11.7 Waiver. Except where a specific period for action or inaction is provided herein, neither the failure nor any delay on the part of any party hereto in exercising any right, power or privilege under this Agreement or the documents referred to in this Agreement shall operate as a waiver thereof, nor

shall any waiver on the part of any party hereto of any such right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any

other or further exercise thereof or the exercise of any other such right, power or privilege. The failure of a party hereto to exercise any right conferred herein within the time required shall cause such right to terminate with respect to the transaction or circumstances giving rise to such right, but not to any such right arising as a result of any other transactions or circumstances.

11.8 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, and subject to Section 9.4(e), all other terms or other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the Transactions is not affected in any manner adverse to any party.

11.9 Governing Law. This Agreement (and any claim or controversy arising out of or relating to this Agreement) shall be governed by the laws of the State of Delaware without regard to conflict of law principles that would result in the application of any Law other than the laws of the State of Delaware.

11.10 Waiver of Trial by Jury. EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE EITHER OF SUCH WAIVERS, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS, (C) IT MAKES SUCH WAIVERS VOLUNTARILY, AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.10.

11.11 Consent to Jurisdiction. Each party hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Chancery Court of the State of Delaware and any state appellate court therefrom within the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware) (the "Applicable Delaware Court"), in any action or proceeding arising out of or relating to this Agreement or the Transactions or for recognition or enforcement of any judgment relating thereto, and each party hereto hereby irrevocably and unconditionally (i) agrees not to commence any such action or proceeding except in an Applicable Delaware Court; (ii) agrees that any claim in respect of any such action or proceeding may be heard and determined in an Applicable Delaware Court; (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any such Applicable Delaware Court; and (iv) waives, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such Applicable

Delaware Court. Each party hereto agrees that (a) this Agreement involves at least $100,000.00 and (b) this Agreement has been entered into by the parties hereto in express reliance upon 6 Del. C. § 2708. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 11.2. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by Law.

11.12 Specific Performance. Each of the parties hereto acknowledges and agrees that the other parties to this Agreement would be irreparably damaged in the event that any of the terms or provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Therefore, notwithstanding anything to the contrary set forth in this Agreement, each of the parties hereto hereby agrees that the other parties to this Agreement shall be entitled to an injunction or injunctions to prevent breaches of any of the terms or provisions of this Agreement, and to enforce specifically the performance by such first party under this Agreement, and each party hereto hereby agrees to waive the defense in any such suit that the other parties to this Agreement have an adequate remedy at law and to interpose no opposition, legal or otherwise, as to the propriety of injunction or specific performance as a remedy, and hereby agrees to waive any requirement to post any bond in connection with obtaining such relief. The equitable remedies described in this Section 11.12 shall be in addition to, and not in lieu of, any other remedies at law or in equity that the parties hereto may elect to pursue.

11.13 Cumulative Remedies. Except as expressly provided otherwise in this Agreement, all rights and remedies of either party hereto are cumulative of each other and of every other right or remedy such party may otherwise have at law or in equity, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

11.14 Expenses. Except as otherwise expressly provided herein, whether or not the Transactions are consummated, all costs and expenses incurred in connection with this Agreement and the Transactions shall be paid by the party incurring such expenses.

11.15 Representation by Counsel. Each party hereto represents and agrees with each other that it has been represented by or had the opportunity to be represented by, independent counsel of its own choosing, and that it has had the full right and opportunity to consult with its respective attorney(s), that to the extent, if any, that it desired, it availed itself of this right and opportunity, that each is fully aware of the contents thereof and its meaning, intent and legal effect, and that it or its authorized officer (as the case may be) is competent to execute this Agreement and has executed this Agreement free from coercion, duress or undue influence. Buyer agrees and acknowledges that the law firm of Latham & Watkins LLP has represented and is representing the Sellers with respect to the negotiation of this Agreement and the Transactions, and Buyer irrevocably waives any conflict in connection therewith, including with respect to any dispute, litigation or proceeding that may arise out of or in connection with the Transactions or this Agreement. Buyer, for itself and the Purchased Entities and for Buyer's and each Purchased Entity's respective successors and assigns, hereby irrevocably waives and consents to any such representation in any such matter and the communication by such counsel to the Sellers in connection with any such representation of any fact known to such counsel arising by reason of

such counsel's prior representation of the Sellers or the Purchased Entities. Buyer, for itself and the Purchased Entities and for Buyer's and each Purchased Entity's respective successors and assigns, irrevocably acknowledges and agrees that all communications between the Sellers and/or the Purchased Entities and its or their counsel, including Latham & Watkins LLP, made in connection with the negotiation, preparation, execution, delivery and closing under, or any dispute or proceeding arising under or in connection with, this Agreement which, immediately prior to the Closing, would be deemed to be privileged communications of the Sellers and their counsel and would not be subject to disclosure to Buyer or any Purchased Entity in connection with any process relating to a dispute, litigation or proceeding arising under or in connection with, this Agreement or otherwise, shall continue after the Closing to be privileged communications between the Sellers and such counsel and none of Buyer or any Purchased Entity or any Person acting or purporting to act on behalf of or through Buyer or any Purchased Entity shall seek to obtain the same by any process on the grounds that the privilege attaching to such communications belongs to Buyer or any Purchased Entity and not the Sellers. Buyer acknowledges that its consent and waiver under this Section 11.15 is voluntary and informed and that Buyer has obtained independent legal advice with respect to this consent and waiver. Without limiting anything set forth in this Agreement, Buyer acknowledges and agrees that the Sellers are relying on the foregoing consent and waiver set forth in this Section 11.15.

11.16 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile, *.pdf* or email), each of which when executed shall be deemed an original and all of which together shall constitute one and the same instrument.

11.17 Financing Sources.

(a) No Seller Indemnified Party shall have any rights or claims against any Lender or its Affiliates or Representatives in connection with this Agreement, the Financing or the Transactions, whether at law or equity, in contract, in tort or otherwise; provided that, notwithstanding the foregoing, other than as set forth in Section 11.17(b), nothing in this Section 11.17 shall in any way limit or modify the rights and obligations of Buyer under this Agreement or the obligations of any Lender to Buyer pursuant to the Commitment Letter.

(b) Notwithstanding anything herein to the contrary, each Seller Indemnified Party and Buyer Indemnified Party agrees (i) that any action of any kind or nature, whether at law or equity, in contract, in tort or otherwise, involving a Lender in connection with the Transactions shall be brought exclusively in the provincial or federal courts located in Toronto, Ontario and each Seller Indemnified Party and Buyer Indemnified Party submits for itself and its property with respect to any such action to the exclusive jurisdiction of such courts, (ii) not to bring or permit any of its affiliates or representatives to bring or support anyone else in bringing any such action in any other court, (iii) that service of process, summons, notice or document by registered mail addressed to it at its address provided in Section 11.2 shall be effective service of process against it for any such action brought in any such court, (iv) to waive and hereby irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of, and the defense of an inconvenient forum to the maintenance of, any such action in any such court, (v) that a final judgment in any such action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law, (vi) that any such action shall be governed by, and construed in

accordance with, the laws of Ontario and (vii) to irrevocably waive and hereby waives any right to a trial by jury in any such action.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on their respective behalf, by their respective officers thereunto duly authorized, all as of the day and year first above written.

BUYER PARENT

CCL INDUSTRIES INC.

By /s/ Geoffrey T. Martin
Name: Geoffrey T. Martin
Title: President and Chief Executive Officer

PARENT

AVERY DENNISON CORPORATION

By /s/ Dean A. Scarborough
Name: Dean A. Scarborough

Title: Chairman, President & CEO

[Purchase Agreement]

PARENT SUBSIDIARY SELLERS

AVERY CORP.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: President

[Purchase Agreement]

AVERY DENNISON OFFICE PRODUCTS COMPANY

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: President

[Purchase Agreement]

DENNISON MANUFACTURING COMPANY

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: President

[Purchase Agreement]

AVERY GRAPHIC SYSTEMS, INC.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: President

[Purchase Agreement]

SECURITY PRINTING DIVISION, INC.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: President

[Purchase Agreement]

AVERY DENNISON RFID COMPANY

By /s/ Susan C. Miller
Name: Susan C. Miller

Title: President

[Purchase Agreement]

AVERY DENNISON (CHINA) COMPANY LIMITED
(艾利（中国）有限公司)

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

[Purchase Agreement]

AVERY DENNISON (GUANGZHOU) CO., LTD
(□□□□□□□□□□)

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

[Purchase Agreement]

AVERY DENNISON HOLDINGS NEW ZEALAND LIMITED

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

[Purchase Agreement]

AVERY DENNISON AUSTRALIA GROUP HOLDINGS PTY LIMITED

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

[Purchase Agreement]

AVERY DENNISON GROUP SINGAPORE PTE. LTD.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

[Purchase Agreement]

AVERY DENNISON SINGAPORE (PTE) LTD

By /s/ Susan C. Miller
Name: Susan C. Miller

Title: Authorized Representative

[Purchase Agreement]

AVERY DENNISON DE ARGENTINA S.R.L.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: President

[Purchase Agreement]

AVERY DENNISON, S.A. DE C.V.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Chairman of the Board of Directors

[Purchase Agreement]

AVERY DENNISON CONVERTED PRODUCTS DE MEXICO S.A. DE C.V.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

[Purchase Agreement]

AVERY DENNISON CHILE S.A.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Chairman

[Purchase Agreement]

AVERY OFFICE PRODUCTS PUERTO RICO L.L.C.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

[Purchase Agreement]

AVERY DENNISON CANADA CORPORATION

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: President

AVERY DENNISON INVESTMENTS LUXEMBOURG IV SARL

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON U.K. LIMITED

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON OFFICE PRODUCTS MANUFACTURING U.K. LTD.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON U.K. II LIMITED

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY HOLDING S.A.S.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON IBERICA, S.A.

By /s/ Ignacio Walker
Name: Ignacio J. Walker
Title: Director

ADESPAN S.R.L.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON ITALIA S.R.L.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON BV

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON EUROPE GMBH

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON ZWECKFORM OFFICE PRODUCTS MANUFACTURING GMBH

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON EUROPE HOLDING (DEUTSCHLAND) GMBH & CO KG

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON DEUTSCHLAND GMBH

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON POLSKA SP. Z O.O.

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON BELGIE BVBA

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON NORDIC APS

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

AVERY DENNISON SCANDINAVIA AB

By /s/ Susan C. Miller
Name: Susan C. Miller
Title: Authorized Representative

Annex A

PARENT SUBSIDIARY SELLERS

1. Avery Dennison de Argentina S.R.L.
2. Avery Dennison Canada Corporation
3. Avery Dennison Chile S.A.
4. Avery Dennison (China) Company Limited
5. Avery Dennison Nordic ApS

6. Avery Dennison Zweckform Office Products Manufacturing GmbH
7. Avery Dennison, S.A. de C.V.
8. Avery Dennison BV
9. Avery Dennison Iberica, S.A.
10. Avery Dennison Office Products Manufacturing U.K. Ltd.
11. Avery Dennison U.K. II Limited
12. Avery Holding S.A.S.
13. Avery Dennison Investments Luxembourg IV SARL
14. Adespan S.r.l.
15. Avery Dennison Holdings New Zealand Limited
16. Avery Corp.
17. Avery Dennison Office Products Company
18. Avery Dennison Australia Group Holdings Pty Limited
19. Avery Dennison Europe Holding (Deutschland) GmbH & Co KG
20. Avery Dennison Polska Sp. z o.o
21. Avery Dennison Belgie BVBA
22. Avery Dennison U.K. Limited
23. Avery Dennison Scandinavia AB
24. Dennison Manufacturing Company
25. Avery Dennison (Guangzhou) Co., Ltd.
26. Avery Dennison Group Singapore (Pte.) Ltd.
27. Avery Dennison Singapore (Pte.) Ltd.
28. Avery Dennison Converted Products de Mexico S.A. de C.V.
29. Avery Graphic Systems, Inc.
30. Security Printing Division, Inc.
31. Avery Dennison Italia S.r.l.
32. Avery Dennison Deutschland GmbH
33. Avery Dennison RFID Company
34. Avery Office Products Puerto Rico L.L.C.
35. Avery Dennison Europe GmbH

Exhibit E

FORM OF TRANSITION SERVICES AGREEMENT

This TRANSITION SERVICES AGREEMENT (the "Agreement") is dated as of , 2013, by and between Avery Dennison Corporation, a Delaware corporation ("Seller"), and CCL Industries Inc., a corporation organized under the laws of Canada ("Buyer"). Seller, on the one hand, and Buyer, on the other hand, are each hereinafter referred to individually as a "Party" and collectively as the "Parties." As used herein, "Agreement" shall include the Exhibits and Schedules hereto.

WHEREAS, Seller and Buyer are parties to a Purchase Agreement, dated as of January 29, 2013 (as may be amended from time to time, the "Purchase Agreement"), which provides for the sale of the Businesses (as defined in the Purchase Agreement) to Buyer and certain of its Affiliates;

WHEREAS, as of the effective date of the Purchase Agreement, Seller and certain of its Affiliates or service providers provide certain administrative and support services to the Businesses, and the Businesses provides certain administrative and support services to Seller and certain of its Affiliates;

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, and in order to accomplish an orderly transition of the Businesses from Seller to Buyer, Buyer desires that Seller or certain of its Affiliates or service providers provide certain administrative and support services to Buyer Receiving Party (as defined below) for a limited period of time beginning as of the date hereof;

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, and in order to accomplish an orderly transition of the Businesses from Seller to Buyer, Seller desires that Buyer cause the Businesses to provide certain administrative and support services to Seller Receiving Party (as defined below) for a limited period of time beginning as of the date hereof; and

WHEREAS, Seller and Buyer are each willing to perform such services described in the foregoing recitals on and subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, agree as follows:

1. Definitions. Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Purchase Agreement. A summary of cross-references to other capitalized terms defined herein is set forth in Section 16 hereof.

2. Transition Services.

(a) Transition Services Provided By Seller. During the Term of this Agreement, Seller shall provide, or in its sole discretion shall cause or arrange for one or more of its Affiliates or service providers to provide, to Buyer and/or, if applicable, an Affiliate of Buyer that owns or operates the Businesses (collectively with Buyer, "Buyer Receiving Party"), the services provided by Seller, its Affiliates and its service providers with respect to the Businesses described in Exhibit A-1 (collectively, the "Seller's Transition Services"), provided that Seller shall have no obligation to provide

the Seller's Transition Services to or in respect of any Buyer Receiving Party that ceases to be an Affiliate of Buyer. Unless otherwise agreed by Seller, the Seller's Transition Services shall be provided during

normal business hours. In the event of any inconsistency or conflict between the body of this Agreement and the attached Exhibits, such Exhibits shall be controlling.

(b) Transition Services Provided By Buyer. To the extent still required by Seller as of the date of and during the Term of this Agreement, Buyer shall provide, or in its sole discretion shall cause or arrange for the Businesses or one or more of its Affiliates or service providers to provide, to Seller and/or, if applicable, an Affiliate of Seller set forth in the attached Exhibits (collectively with Seller, "Seller Receiving Party"), the services provided by the Businesses with respect to Seller Receiving Party described in Exhibit A-2 (collectively, the "Buyer's Transition Services"), provided that Buyer shall have no obligation to provide the Buyer's Transition Services to or in respect of any Seller Receiving Party that ceases to be an Affiliate of Seller. Unless otherwise agreed by Buyer, the Buyer's Transition Services shall be provided during normal business hours. In the event of any inconsistency or conflict between the body of this Agreement and the attached Exhibits, such Exhibits shall be controlling.

(c) Additional Definitions. As used herein, and as the context may require, (i) the Buyer's Transition Services and the Seller's Transition Services shall each be the "Transition Services", (ii) Affiliates of Buyer or Seller who receive the benefit of the Transition Services shall each be a "Receiving Affiliate", (iii) Seller Receiving Party and Buyer Receiving Party shall each be a "Receiving Party", and (iv) the "Providing Party" shall be the provider of the Transition Services, whether it be Buyer, an Affiliate of Buyer, Seller, an Affiliate of Seller, or a service provider of either Party.

(d) Missing Transition Services. Seller agrees that, if any transition service is identified after the Closing that is not contained in Exhibit A-1 but is necessary to allow Buyer to conduct the Businesses after the Closing in substantially the same manner as such was conducted immediately prior to the Closing (any such service a "Missing Transition Service"), Seller shall discuss with Buyer in good faith the provision of such Missing Transition Service on terms and conditions to be mutually agreed upon by the Parties in writing and the Parties shall amend this Agreement to provide for such Missing Transition Service.

(e) Level of Services.

(i) The Providing Party shall provide the Transition Services at the same location and in a manner reasonably similar to the manner in which such Transition Services were provided immediately prior to the Closing. Unless otherwise mutually agreed by the Parties in writing, with respect to any Transition Service, the Providing Party shall not be required to provide a level of service which is higher than (including as to volume, quantity, level, complexity or frequency, as applicable) the level of service provided by the Providing Party immediately prior to the Closing, or to make changes to any Transition Service, including the location where the services are to be provided; provided, however, that the Project Managers for a Transition Service may mutually agree to any such increase or change in such Transition Service, including any cost or fee adjustments associated with such increase or change. Except as set forth in Sections 13 and 14 of this Agreement, no Providing Party shall be liable for any error or omission in rendering such services, or any defect in the services rendered.

(ii) The Providing Party's obligation to provide the Transition Services with respect to the Receiving Party in a manner reasonably similar to the manner in which such Transition Services were provided immediately prior to the Closing shall be subject to the Receiving Party ensuring that the physical and technical environment and level of trained personnel at the facilities of the Receiving Party during the Term of this Agreement are reasonably similar to those which were present immediately prior to the Closing.

(iii) Notwithstanding the foregoing, after written notice to the Providing Party, the Receiving Party may make changes to the physical or technical environment or level of trained personnel at the facilities of the Receiving Party to the extent such changes do not, in the Providing Party's reasonable determination, adversely impact the ability of the Providing Party to deliver the Transition Services. In the event that the Providing Party reasonably determines that its ability to deliver the Transition Services is adversely impacted as a result of any such changes, then, upon written notice to the Receiving Party, the Providing Party shall be entitled to charge the Receiving Party for the Providing Party's costs attributable to remedy the effect of such changes in accordance with Section 5(c)(iii). If the Receiving Party provides notice in accordance with Section 5(c)(iii) that it does not wish to incur such additional costs, the Providing Party may terminate the provisions of this Agreement relating to such Transition Services (and any Transition Services related thereto or dependent thereon).

(f) Third Party Providers. The Providing Party may, in its sole discretion, arrange for a third party service provider to provide any of the Transition Services; provided, however, that the applicable Providing Party will use any and all reasonable commercial efforts to ensure that any such Transition Services provided by such third party shall be provided in substantially the same manner in which such Transition Services were provided to or by the Businesses immediately prior to the Closing, and provided, further, that the applicable Providing Party shall continue to be responsible for the performance of any Transition Services provided by any such third party. The Receiving Party may not request any change to or increase in any Transition Service provided by a third party without simultaneously providing a copy of such request to the Providing Party that arranged for such third party to provide such Transition Service, and no such change to or increase in such Transition Service may be made without the arranging Providing Party's approval of such request.

(g) Project Managers. The Parties have each designated in the Exhibits hereto, for each type of Transition Service provided, one of their employees (or an employee of an Affiliate) as their respective "Project Manager" for the designated Transition Service. The Project Managers shall be the principal point of contact for the Parties for all matters relating to such Transition Services. Each Project Manager shall have appropriate decision-making authority for its respective Party and shall be responsible for such Party's monitoring of the status of the designated Transition Services. A Project Manager may be replaced at any time and for any reason by the Party employing the Project Manager and such replacement shall be effective upon written notice to the other Party of such replacement.

(h) Transition Services Managers. Each Party has designated the employee of such Party (or its Affiliate) set forth below its name on Schedule 1 hereto as its "Transition Services Manager" for this Agreement. Each Transition Services Manager shall have appropriate decision-

making authority from its respective Party, and shall be responsible for such Party's general oversight and monitoring of the activities contemplated by this Agreement, including supervision of its respective Project Managers. Any disputes or disagreements that are unresolved by any applicable Project Managers shall be escalated to the Transition Services Managers for attempted resolution in the first instance. A Party may replace its Transition Services Manager at any time and for any reason, and such replacement shall be effective upon written notice to the other Party of such replacement.

(i) Cooperation; Reports. Subject to Section 9, each Party shall cause its employees and, as appropriate, its Affiliates and the employees of its Affiliates, to cooperate in good faith and in a professional and workmanlike manner with employees of the other Party or its Affiliates to the extent necessary for the effective delivery of Transition Services. Upon request, the Receiving Party shall promptly provide the Providing Party with data and reports that are reasonably necessary for the

Providing Party to provide the Transition Services to the Receiving Party. All such data provided shall be considered Proprietary Information (as defined in Section 7 below) of the Receiving Party subject to the provisions of Section 7 of this Agreement.

(j) Receiving Affiliate. Buyer and Seller shall each use its best efforts to (i) cause each of its respective Receiving Affiliates at all times to promptly comply with the terms and conditions of this Agreement, including, without limitation, all payment, use restrictions and confidentiality obligations, and to promptly and fully perform such Receiving Affiliate's obligations hereunder, in each case as if such Receiving Affiliate was a Party to this Agreement, and (ii) not permit a default hereunder by or through any of its respective Receiving Affiliates to occur or be continuing hereunder.

3. Commercially Reasonable Efforts to Replace Transition Services. The Parties acknowledge the transitional nature of the Transition Services. Accordingly, the Receiving Party shall use its commercially reasonable efforts to replace, and cease the use of, the Transition Services to be provided hereunder as soon as reasonably practicable after the date hereof so that the Transition Services are terminated by the end of their designated term pursuant to Section 12. If the Receiving Party does not replace and cease the use of the Transition Services provided to it, then the Providing Party shall have no obligation to continue to provide the Transition Services after the expiration of such Transition Services' designated terms pursuant to Section 12; provided, however, that the Receiving Party may elect to extend the terms for such Transition Services by an additional three (3) months, subject to a fifteen percent (15%) increase in the amounts payable in respect of such Transition Services pursuant to Section 5 during such three (3) month period. Such election must be made in writing to the Providing Party not less than thirty (30) days prior to the expiration of the term for such Transition Services.

4. Software and Licenses. If the performance of a Transition Service requires licenses, consents, permits or approvals from third parties not obtained prior to the date of this Agreement, the Providing Party shall have no obligation to perform or arrange for the performance of such Transition Service until such license, consent, or approval is obtained. The Parties hereto shall use their commercially reasonable efforts to obtain, at no out-of-pocket cost to the Providing Party and at the Receiving Party's sole expense, any such required licenses, consents and approvals, and shall discuss the need for any modifications to the Transition Services necessary in order to permit the Transition Services to continue to be performed pursuant to the terms of this Agreement pending the receipt of such licenses, consents and approvals. In arranging for such licensing, the Providing Party will cooperate with the Receiving Party's efforts to reduce such licensing costs including, but not limited to, leveraging and utilizing existing agreements with such third party licensors or services providers. If obtaining any such required license, consent or approval will require the payment of consideration or the incurrence of additional out-of-pocket costs, the Receiving Party shall pay such consideration or costs and the Providing Party shall have no responsibility therefor. In addition, the Receiving Party shall be solely responsible for the cost of all licenses for intellectual property acquired from a third party required to be purchased by the Receiving Party in order to operate the Businesses, and the Providing Party shall have no responsibility therefor. These obligations shall be in addition to any obligations of the Seller contained in the Purchase Agreement to deliver software licenses, consents or approvals to Buyer, and to the extent such obligations are specified, such obligations shall be in addition to the obligations stated herein.

5. Payments, Fees and Costs.

(a) Transition Services. In consideration of the performance by the Providing Party of its respective Transition Services, the respective Receiving Party shall pay monthly, in accordance with Section 5(e):

(i) to the Providing Party, in respect of each Transition Service so performed, the amounts that are specified as payable to the Providing Party in this Agreement (including the applicable Exhibit(s)); plus

(ii) to the Providing Party, subject to the prior written approval of the Receiving Party, any and all reasonable travel, lodging, meals, mileage and other out-of-pocket expenses incurred by the Providing Party, its consultants or Representatives in connection with the provision of Transition Services, except to the extent such expenses are already charged to the Receiving Party through the fee (as indicated in the invoices from the Providing Party) or otherwise previously paid by the Receiving Party as charges hereunder. The Receiving Party acknowledges and agrees that if it does not approve such reasonable expenses in connection with the provision of Transition Services, the Providing Party shall be able to terminate the provision of the relevant Transition Services (and any Transition Services related thereto or dependent thereon) upon ten (10) Business Days' prior written notice; provided that the Receiving Party shall have an opportunity to cure during such ten (10) Business Day period.

(b) Taxes. The Receiving Party shall pay all applicable sales, use or other Taxes incurred with respect to the sale, performance, provision or delivery of Transition Services. Such Taxes shall be in addition to the other payments or charges provided for in this Agreement. If the Providing Party pays or incurs any Tax in respect of the performance, provision or delivery of any Transition Service, the Providing Party may include such amount in an invoice to the Receiving Party (but without duplication to the extent any other Receiving Party has already paid such expenses through charges hereunder) in respect of such Transition Service.

(c) Incremental Costs.

(i) If there is an increase in the fees and costs imposed by third parties for materials the Providing Party reasonably uses or plans to use in providing the Transition Services, the fees payable by the Receiving Party hereunder shall be increased proportionately to

reflect such increase in third party fees and costs. Any such increase will be incorporated into the Transition Service Expenses (as defined in Section 5(e)(i) below) and invoiced and paid pursuant to Section 5(e). The Providing Party will use reasonable commercial efforts to avoid any increases in fees and costs, and will provide prompt written notice of any potential increases to the Receiving Party.

(ii) If there is an increase or change in the volume or quantity of any Transition Services pursuant to Section 2(e)(i), the fees and costs associated with such increase or change, if any, shall be payable by the Receiving Party. Any such increase will be incorporated into the Transition Service Expenses (as defined in Section 5(e)(i) below) and invoiced and paid pursuant to Section 5(e). The Providing Party will use reasonable commercial efforts to avoid any increases in fees and costs, and will provide prompt written notice of any potential increases to the Receiving Party.

(iii) In addition, in the event that the Providing Party reasonably anticipates that it will incur direct or indirect costs (including time spent on the provision of Transition Services) as a result of (A) modifications to the systems or processes that the Providing Party uses or plans to use to provide the Transition Services, or (B) changes to the physical or technical environment or level of trained personnel at the relevant facilities of the Receiving Party, in each case occurring as the result of any act or failure to act of the Receiving Party, the Providing Party shall provide the Receiving Party with written notice (the "Incremental Cost Notice") of the nature and amount of any such incremental costs and the Transition Services

to which they relate as soon as reasonably possible, but in no event less than ten (10) Business Days prior to incurring such costs; provided, however, that in the case of a change described in clause (B) above, such notice shall only be required if the Receiving Party has complied with the requirements of Section 2(e)(iii) in respect of such change. The Receiving Party shall respond by written notice to the Providing Party within ten (10) Business Days after receiving the Incremental Cost Notice if the Receiving Party determines that it does not wish to incur such costs, in which case, unless the Parties otherwise agree, the Providing Party may terminate the provision of the Transition Service(s) to which the incremental costs relate (and any other Transition Services related thereto or dependent thereon) on ten (10) Business Days prior written notice to the Providing Party. If the Receiving Party does not provide such notice to the Providing Party within such ten (10) Business Day period or if the Receiving Party has not complied with the requirements of Section 2(e)(iii) before making a change described in clause (B) above, then the Providing Party shall be entitled to incur the costs specified in the Incremental Cost Notice and invoice the Receiving Party for the same in accordance with Section 5(e).

(d) Other Incidental Transition Costs. Notwithstanding anything to the contrary herein, the Receiving Party shall bear any additional costs resulting from: (i) the retention of any consultants approved by the Receiving Party and necessary for the migration of any software or other applications to an existing or new platform, or any improvement or modification to such applications made to accommodate the Receiving Party, provided that any such improvements or modifications shall be owned by the Receiving Party and provided further that the Receiving Party shall have previously consented in writing to the terms of retention of any such consultant; (ii) the decision by the Receiving Party to outsource any of its management information system functions to third party application service providers; and (iii) any requirement for additional disk space or increased processing capability in excess of that utilized by or on behalf of the Receiving Party as of the Closing.

(e) Invoicing and Payments.

(i) The Providing Party shall invoice the Receiving Party as follows for Transition Services fees, costs, expenses, liabilities, Losses, and other amounts paid, owed, or required to be paid by the Receiving Party under this Agreement (collectively the "Transition Service Expenses"): an invoice shall be rendered on or before the 15th day of the month that immediately follows the month in which the applicable Transition Services are to be provided, setting forth in reasonable detail the Transition Service Expenses to be paid, subject to the provisions of Section 5(a) of this Agreement; provided, however, that if the Receiving Party elects to extend the Term pursuant to Section 12(b), the fees for all Transition Services shall be equal to 115% of the applicable fees for such Transition Services set forth in the attached Exhibits.

(ii) The Receiving Party shall pay all such invoices no later than thirty (30) days after receipt of such invoice. For the avoidance of doubt, any Transition Service Expenses invoiced to Buyer or Seller hereunder shall be deemed invoiced to and received by their respective Receiving Parties.

(iii) Outstanding amounts not paid in full in accordance with this Section 5 shall bear interest from the date such payment was due under this Agreement at the rate of the lesser of 0.75% per month or the highest amount permitted to be charged under applicable Law. Any collection of interest with respect to overdue payments shall be in addition to, and not in limitation of, the remedies at law or equity or otherwise available to the Party to whom such payment is owed.

(iv) For avoidance of doubt, the Transition Service Expenses shall not include any of the Receiving Party's accounts payable or be net of any of the Receiving Party's accounts receivable, that in either case the Providing Party may process on behalf of the Receiving Party pursuant to a provided Transition Service. For clarity:

(1) If, pursuant to the provision of a Transition Service, the Providing Party processes any accounts payable on behalf of the Receiving Party, the Providing Party shall provide the Receiving Party with the invoice(s) for such accounts payable, and the Receiving Party (x) shall verify the amount(s) stated on such invoice(s), and (y) transfer such amount(s) to the Providing Party by wire transfer of immediately available funds or electronic transmission of immediately available funds, in each case within a commercially reasonable period following receipt of such invoice(s).

(2) If, pursuant to the provision of a Transition Service, the Providing Party receives payment of any accounts receivable on behalf of the Receiving Party, the Providing Party shall (x) advise the Receiving Party of its receipt of such amount(s), and (y) transfer such amount(s) to the Receiving Party by wire transfer of immediately available funds or electronic transmission of immediately available funds, in each case within a commercially reasonable period following receipt of such amount(s).

(f) Payments to be Electronically Transmitted; Currency. All payments required to be made by the Receiving Party hereunder shall be made by electronic transmission of immediately available funds within the required time to one or more accounts specified by the Providing Party. The Receiving Party agrees to pay each invoice in United States dollars.

(g) Prior Notice. Notwithstanding anything to the contrary herein, the Providing Party shall provide the Receiving Party with prior written notice of any additional fees or costs not listed in the attached Exhibits that it may incur in connection with the provision of the Transition Services hereunder.

(h) Invoice Dispute Resolution Procedure.

(i) In the event that the Receiving Party believes that an invoice amount is incorrect, the Receiving Party must notify the Providing Party in writing (the "Dispute Notice") on or before the later of (A) ten (10) Business Days after the Receiving Party's receipt of the disputed invoice and (B) the date on which the disputed invoice is due. The Dispute Notice must set forth in reasonable detail the basis for the dispute and the amount in dispute (the "Disputed Amount"). If the Receiving Party does not deliver a Dispute Notice within the time period set forth in the first sentence of this Section 5(h)(i), then the invoice shall be deemed to be correct in all respects (subject to the Receiving Party's rights under Section 5(i)(ii)). The Receiving Party shall be permitted to submit only one Dispute Notice per invoice, and shall timely pay any undisputed portion of such invoice in the manner set forth in this Agreement.

(ii) The Parties shall in good faith use commercially reasonable efforts to resolve their dispute over the Disputed Amount pursuant to this Section 5(h) as soon as reasonably possible after delivery of a Dispute Notice. Notwithstanding any such dispute resolution efforts, if the Disputed Amount is not paid to the Providing Party or otherwise resolved within thirty (30) days after the date originally due under Section 5(e)(ii), the Providing Party may, upon at least three (3) Business Days prior written notice, suspend the provision of such Transition Service(s) (and any Transition Services related thereto or dependent thereon) until

payment by the Receiving Party or any of its Affiliates of such Disputed Amount(s) or other mutually-agreed resolution; provided, however, that:

(1) the Providing Party will resume the provision of such suspended Transition Services upon the payment of the Disputed Amount(s), and

(2) upon the Parties' written agreement on the proper resolution of the dispute specified by the Dispute Notice and the correct amount due to the Providing Party, the Receiving Party shall promptly pay such amount or, if the Disputed Amount was previously paid to the Providing Party and the correct amount is less than the Disputed Amount, the Providing Party shall apply the difference between the correct amount and the Disputed Amount towards the next invoice.

(iii) If the aggregate Disputed Amounts exceed $500,000, the Providing Party may immediately suspend the provision of all of its Transition Services hereunder until the earlier of (A) resolution of the disputes and payment by the Receiving Party or any of its Affiliates of all Disputed Amounts agreed by the Parties, and (B) the payment by the Receiving Party or any of its Affiliates of an amount equal to the portion of the Disputed Amount in excess of $500,000.

(i) Records and Audits.

(i) Records. The Providing Party will maintain (and, as applicable, cause its Affiliates and use commercially reasonable efforts (but no lesser efforts than it used immediately prior to the Closing) to cause its independent contractors to maintain) accurate and complete records regarding its activities relating to this Agreement and the means of calculating the amounts billed to the Receiving Party hereunder. Such books and records will, at all times, be kept in a manner consistent with the Providing Party's past practices prior to the Closing and, in any event, in accordance with good administrative and secretarial practice and generally accepted accounting principles. The Providing Party will retain (and, as applicable, cause its Affiliates to retain) all such records until two (2) years after any termination or expiration of this Agreement, unless otherwise directed by the Receiving Party.

(ii) Audits. Upon fifteen (15) Business Days notice to the Providing Party, the Receiving Party and its designees will have the right to inspect and audit all the relevant records and books of account of the Providing Party and its Affiliates to verify the accuracy of all payments made or to be made by the Receiving Party pursuant to Section 5. Any audit by the Receiving Party or its designees will be conducted during regular business hours at the facilities of the Providing Party or its Affiliates, and in a manner that does not unreasonably interfere with the normal business activities of the Providing Party or its Affiliates. If any audit reveals an overpayment by the Receiving Party, the Providing Party will promptly refund any overpayment. In addition, if any audit reveals an overpayment by the Receiving Party exceeding ten percent (10%) during the audited period, the Providing Party will reimburse the Receiving Party for the costs of conducting the audit. For avoidance of doubt, the audit rights of this Section 5(i)(ii) are solely to verify the arithmetic computation of invoiced amounts and for no other purpose. When visiting the Providing Party's facilities pursuant to this Section 5(i)(ii), the Receiving Party and its designees shall comply with the Providing Party's (a) safety, security and other rules applicable to those working at the Providing Party's facilities and (b) policies concerning access to and security of any premises or computer system to which such Person may have access, in each case, to the extent made known by or as would be reasonably evident to such Person.

6. Access; Information Technology.

(a) The Receiving Party acknowledges that certain of the Transition Services include access to certain computer networks of the Providing Party (the "Providing Party Computer Network"), and that such access is conditioned upon the Receiving Party's agreement to the terms set forth in Schedule 2 hereto. The Providing Party shall use reasonable commercial efforts to create and maintain the Receiving Party's access to the Providing

Party Computer Network for as long as such access is required to receive and use the Transition Services. The Parties acknowledge and agree that the provision of the Transition Services hereunder may be subject to (i) the installation, configuration, or re-configuration of a firewall and/or one or more network security devices at each of the sites operated by the Receiving Party to protect the Providing Party Computer Network, and (ii) the Providing Party installing, configuring, and re-configuring such firewall or network security device and managing and maintaining the resulting network configuration. The Receiving Party agrees that such installation, configuration and/or re-configuration shall be carried out in accordance with and shall comply with all of the Providing Party's written requirements and guidelines provided such requirements and guidelines are commercially reasonable and necessary to protect the Providing Party Computer Network and are provided to the Receiving Party in advance. All reasonable costs of installation of such firewalls and network security devices, and all reasonable ongoing costs and expenses of maintaining the firewalls and other network security devices shall be borne by the Receiving Party provided that the Providing Party shall not charge for accessing or utilizing the Providing Party Computer Network and shall otherwise only charge the Receiving Party for any actual expense incurred by the Providing Party for third party materials purchased by the Providing Party solely for the benefit of the Receiving Party in accessing the Providing Party Computer Network.

(b) Right to Terminate. The Providing Party reserves the right to terminate those Transition Services relating to the Providing Party Computer Network (and any Transition Service related thereto or dependent thereon) and to terminate the Receiving Party's access to the Providing Party Computer Network (and any Transition Service related thereto or dependent thereon) in the event the Receiving Party fails to cure any material breach of this Section 6 (including the terms set forth in Schedule 2 hereto) within ten (10) Business Days after written notification to the Receiving Party of such material breach; provided, however, that the Providing Party may temporarily suspend the Receiving Party's access to the Providing Party Computer Network without such notice in the event such material breach damages, injures or poses an imminent risk to the integrity or operations of the Providing Party Computer Network. The Providing Party shall be under no obligation to reinstate either the Receiving Party's Transition Services related to the Providing Party Computer Network or the Receiving Party's access to the Providing Party Computer Network following any such material breach and failure to cure until such material breach has been cured in a manner reasonably expected to prevent a recurrence of such material breach.

7. Confidentiality.

(a) Each Party agrees and acknowledges that, during the Term of this Agreement, the other Party hereto may have access to, or a Party (the "Discloser") may be required to disclose to the other Party (the "Recipient"), certain confidential information, data, records, files, archives and other proprietary information, whether oral or written, concerning, among other things, third party materials or the Discloser's inventions, know-how, customer lists, supplier lists, pricing, patent and trade secrets, software, distribution and other general business information (collectively, the "Proprietary Information"). Each Party further agrees and acknowledges that all Proprietary Information of the Discloser or its Affiliates, customers, suppliers or independent contractors generated, produced or stored by a Party or any third party in connection with the provision of Transition Services or the performance of this Agreement shall be the Proprietary Information of the Discloser, and that all information relating to

the same and other information related to the historical and current operations of the Discloser is the Proprietary Information of the Discloser. Proprietary Information shall remain the sole property of the Discloser and the other Party shall have no interest in or rights with respect to such Proprietary Information.

(b) Protection. During the Term of this Agreement and for a period of three (3) years after the termination or expiration hereof, and, in respect of Proprietary Information that constitutes computer source code, for an indefinite period, each Party agrees, and shall cause its respective Affiliates, service providers, independent contractors and Representatives, to protect the confidentiality of the other Party's Proprietary Information with the same degree of care that it utilizes with respect to its own similar confidential and proprietary information, but in any event, no less than reasonable care, including:

(i) not to disclose or copy, display, loan, publish, transfer (whether by sale, operation of law or otherwise) or otherwise disseminate or allow access to the Proprietary Information, in whole or in part, in any form whatsoever, to or by any third party without the prior written consent of the Discloser, except that such disclosure or access shall be permitted with respect to an employee or independent contractor of Recipient requiring access to the Proprietary Information in the course of his or her employment or provision of Transition Services hereunder, provided, however, that such employee or independent contractor is subject to confidentiality obligations substantially similar and in no event less restrictive than as set forth in this Section 7;

(ii) to notify the Discloser promptly and in writing of the circumstances surrounding any suspected possession, use, disclosure or knowledge of the Proprietary Information or any part thereof at any location or by any person or entity other than those authorized by this Agreement and to take further steps as may reasonably be requested by the Discloser to remedy any such possession, use or disclosure; and

(iii) upon the Discloser's request, to promptly return to Discloser or destroy all documents and materials in tangible form, and permanently erase all data in electronic form, containing any Proprietary Information, and certify in writing signed by an officer of Recipient that Recipient has fully complied with this obligation (except that the Recipient's legal counsel may retain one copy of such information in their offices for record-keeping purposes only).

(c) Use. A Party shall not use, nor permit the use of, a Discloser's Proprietary Information for any purpose other than in connection with the performance of its obligations hereunder or as otherwise expressly permitted herein.

(d) Exceptions. Nothing in this Section 7 shall restrict the Parties with respect to confidential information, data, records, files, archives or other proprietary information, whether or not identical or similar to that contained in the Proprietary Information, if such confidential information, data, records, files, archives or other proprietary information: (i) is independently developed by the Recipient without reference to the Discloser's Proprietary Information (and Recipient shall provide the Discloser with reasonably satisfactory evidence of such independent development); (ii) is or becomes generally available to the public other than as a result of any act or default of, or disclosure by, the Recipient; (iii) becomes available to the Recipient on a non-confidential basis from a source other than the Discloser or its Affiliates, Representatives or independent contractors, provided such source is entitled to disclose such information to the Recipient on a non-confidential basis; (iv) was known by the Recipient on a non-confidential basis prior to the disclosure thereof to the Recipient by the Discloser; or (v) is

required by Law to be disclosed; provided, however, that as soon as is reasonably practicable after receiving notice of any such required disclosure and to the extent that it may legally do so, the Recipient advises the Discloser of the same, and prior to making any such disclosure, takes commercially reasonable actions to assure the confidential handling of the Proprietary Information, including, to the extent permissible and practicable, affording the Discloser a reasonable period of time to seek a protective order prohibiting the disclosure of the Proprietary Information, if allowed by applicable Law and cooperates with the Discloser, at the Discloser's reasonable request and expense, in any lawful action to contest or limit the scope of such required disclosure.

(e) Injunctive Relief. Each Party acknowledges and agrees that the other Party may suffer irreparable harm for which monetary damages may be an inadequate remedy if there were a breach by such Party of obligations under this Section 7. Each Party further acknowledges and agrees that equitable relief, including injunctive relief, may be appropriate to protect the non-breaching Party's rights and interests if such a breach were to arise, be threatened, or be asserted, and the non-breaching Party will be entitled to seek the entry of an order for immediate injunctive relief.

(f) Trade Secrets. The Parties agree that notwithstanding any other provision of this Agreement, neither Party shall disclose to the other Party any of its trade secrets or have any rights in or to any of the other Party's trade secrets. To the extent a Providing Party determines that it is necessary to disclose any trade secrets to the Receiving Party in order for the Providing Party to perform or the Receiving Party to receive any Transition Services (such Transition Services, the "Dependent Transition Services") as set forth in this Agreement, the Parties shall mutually agree in writing on the reasonable terms and conditions of such disclosure and the Receiving Party's obligations with respect to such trade secrets. Until the Parties are able to mutually agree on such reasonable terms and conditions, the Providing Party shall use commercially reasonable efforts to provide the Dependent Transition Services without disclosing such trade secrets, but shall not be liable for any failure by it to perform or any failure by the Receiving Party to receive the Dependent Transition Services in accordance with this Agreement (or Losses that result therefrom) that results from the non-disclosure of such trade secrets.

8. Compliance With Third Party Agreements. In the event that Buyer or Seller or any of its respective Affiliates arranges for a Transition Service to be provided to the Receiving Party by an Affiliate or a third party service provider, the Receiving Party shall at all times comply with the material terms of the Providing Party's (or any of its Affiliates') agreements with such Affiliate or third party service provider (each, a "Third Party Agreement"), to the extent such Third Party Agreements are applicable to the Transition Services, as if the Receiving Party was party thereto, including without limitation all use restrictions and confidentiality obligations; provided that the Receiving Party shall be provided with a reasonably detailed summary of all material terms of such Third Party Agreement with which such Receiving Party is required to comply. In the event that the Receiving Party fails to meet its obligations under the preceding sentence of this Section 8 as to the terms of a Third Party Agreement, the Providing Party may provide the Receiving Party with written notice of its intention to terminate all Transition Services that are provided to the Receiving Party under such Third Party Agreement. In the event that such Third Party Agreement provides for a cure period and the Receiving Party does not cure its or any of its applicable Affiliate's failure to meet its obligations under such Third Party Agreement within the cure period provided for in such Third Party Agreement, the Providing Party shall be entitled to terminate all Transition Services that are provided to the Receiving Party under such Third Party Agreement, and any Transition Services related thereto or dependent thereon.

9. Disclaimer of Warranties. EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES THAT ARE EXPRESSLY SET FORTH HEREIN, THE TRANSITION SERVICES ARE PROVIDED TO EACH RECEIVING PARTY "AS-IS." NEITHER BUYER NOR SELLER, NOR

ANY OF THEIR AFFILIATES, MAKES ANY REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, REGARDING THE TRANSITION SERVICES IT PROVIDES. THE PROVIDING PARTY SPECIFICALLY DISCLAIMS THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND ANY AND ALL WARRANTIES AGAINST INFRINGEMENT, TO THE MAXIMUM EXTENT PERMISSIBLE BY LAW.

10. Access to Facilities to Provide Services and Remove Equipment. In connection with the provision of Transition Services, the Receiving Party shall permit, and shall cause its Affiliates to permit, the Providing Party, and their respective employees, vendors and independent contractors, to have reasonable access to the facilities of the Receiving Party to the extent required to provide the Transition Services in accordance with the terms of this Agreement. In further connection with the provision of the Transition Services, Receiving Party shall permit, and shall cause its Affiliates to permit, Seller, its Affiliates and any service providers, and their respective employees, vendors and independent contractors, to remove the property of Providing Party, its Affiliates and any service providers from Receiving Party's facilities. When visiting the Receiving Party's facilities pursuant to this Agreement, the Providing Party shall cause its respective employees, vendors and independent contractors to comply with the Receiving Party's (a) safety, security and other rules applicable to those working at the Receiving Party's facilities and (b) policies concerning access to and security of any premises or computer system to which such Person may have access, in each case, to the extent made known by or as would be reasonably evident to such employee, vendor or independent contractor.

11. Insurance. Each Party shall, to the extent commercially reasonable, maintain insurance covering all risks for which insurance applicable to the Transition Services is customarily maintained for businesses similar to the businesses of each Party, including, without limitation, all risks to and from the property and employees of such Party and its Affiliates.

12. Term; Termination.

(a) Unless terminated earlier or extended in accordance with this Section 12, the term of this Agreement (the "Term") shall commence as of the Closing Date and shall expire twelve (12) months after the Closing Date; provided, however, that (i) if an earlier termination date for a Transition Service is set forth in an Exhibit or another Section of this Agreement, the provisions of this Agreement with respect to such Transition Service shall terminate on such earlier termination date, and (ii) this Agreement is not otherwise earlier terminated pursuant to its terms.

(b) Subject to Sections 3 and 5(e), the Receiving Party may elect to extend the term of any Transition Services or the Term of this Agreement by an additional three (3) months, subject to a fifteen percent (15%) increase in the amounts payable in respect of such Transition Services pursuant to Section 5 during such three (3) month period. Such election must be made in writing to the Providing Party not less than thirty (30) days prior to the expiration of the term for such Transition Services or the Term of this Agreement, as applicable.

(c) This Agreement, or specific Transition Services provided hereunder, may be terminated before the completion of the Term:

(i) by mutual agreement of the Parties;

(ii) by the Providing Party as expressly set forth in this Agreement;

(iii) by the Providing Party, on the one hand, or the Receiving Party, on the other hand, for material breach by the other of any of the terms hereof if such material breach is not cured within forty-five (45) days after written notice of such breach is delivered to the breaching Party (and if the Providing Party is an Affiliate of Seller or service provider of Seller, such written notice will be delivered to Seller by the applicable Buyer Receiving Party);

(iv) by the Providing Party, on the one hand, or the Receiving Party, on the other hand, in the event of the filing by or against the other Party of a petition in bankruptcy, or the appointment of a receiver of such other Party or any substantial portion of such other Party's assets, or any proceeding or reorganization for the benefit of the other Party's creditors, or upon the other Party becoming insolvent; or

(v) with respect to any or all Transition Service(s) and except as may otherwise be noted in the attached Exhibits, by the Receiving Party for any reason in its sole and absolute discretion. Such termination will be effective upon the later of (i) thirty (30) days after written notice of such termination is received by the Providing Party, or (ii) if such written notice is given later than the first day of any calendar month, the end of the second full calendar month after such notice is given (for illustrative purposes only, a termination notice delivered under this Section 12(c)(v) on June 15, 2013, shall be effective on August 31, 2013).

(d) Upon termination or expiration of this Agreement, or particular Transition Services hereunder, the Providing Party shall have no further obligation hereunder to provide such particular Transition Services (and any Transition Services related thereto or dependent thereon); provided, however, that, notwithstanding any other provision of this Agreement, no obligation of a Party accruing hereunder prior to such expiration or termination shall be terminated or otherwise relieved and the rights and obligations of the Parties under Sections 5 (except for the audit rights under Section 5(i)(ii), which shall only survive the termination or expiration of this Agreement for six (6) months), 7, 9, 10 (but solely with respect to the removal of property), 11, 12, 13, 14, 15, 16 and 17 and all of the Receiving Party's payment obligations with respect to any accrued but unpaid amounts owed hereunder subject to the terms and conditions of this Agreement shall survive any expiration or termination hereof.

(e) In addition, in the event that the Providing Party terminates this Agreement or any of the Transition Services provided hereunder as set forth in clauses (c)(ii), (c)(iii), or (c)(iv) of this Section 12, or if the Receiving Party terminates this Agreement or any of the Transition Services provided hereunder as set forth in (c)(v) of this Section 12, then the Receiving Party shall pay any and all costs, expenses, penalties, interest and the like imposed on or incurred by the Providing Party by third parties in connection with such termination.

(f) (i) The Parties acknowledge and agree that certain Transition Services are reliant on other Transition Services, such that the extension, suspension, termination or expiration of one such Transition Service (any such event, a "Trigger Event") would affect a Providing Party's ability to provide the related Transition Services. Each group of related Transition Services is identified on the Exhibits attached hereto by a particular "bucket". Notwithstanding anything to the contrary in this Agreement and unless the Parties otherwise mutually agree in writing after evaluating the totality of the Transition Services included in a particular bucket at the time of a Trigger Event, no Trigger Event may occur with respect to a particular Transition Service as provided herein, unless such Trigger Event also concurrently applies to all other Transition Services included in the same bucket (the "Triggered Transition Services").

(ii) If the Parties mutually agree in writing that the effect of a Trigger Event described in Section 12(f)(i) on the Triggered Transition Services can be limited to one or more specific regions, countries, or locations, then the Parties may mutually agree in writing to limit the effect of such Trigger Event on the Triggered Transition Services to such specific regions, countries, or locations.

(iii) If (A) the Parties mutually agree in writing that the effect of a Trigger Event described in Section 12(f)(i) on the Triggered Transition Services can be limited to some but not all of the Transition Services included in the same bucket, or (B) the Receiving Party elects (pursuant to Section 12(b) or otherwise), or the Parties otherwise agree, to continue any Transition Services beyond the Term, so long as at least one Transition Service from such bucket is provided, the Receiving Party will continue to pay the full costs for all Transition Services in that same bucket.

13. Limitation of Liability.

(a) NEITHER THE PROVIDING PARTY, ITS AFFILIATES OR THEIR REPRESENTATIVES ON THE ONE HAND, NOR THE RECEIVING PARTY, ITS AFFILIATES, OR THEIR REPRESENTATIVES, ON THE OTHER HAND, SHALL BE LIABLE FOR ANY LOST PROFITS OR FOR ANY INDIRECT, COMPENSATORY, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES ARISING OUT OF THIS AGREEMENT OR ANY PERFORMANCE OF THE TRANSITION SERVICES HEREUNDER OR THE PERFORMANCE OR BREACH OF ANY OBLIGATIONS HEREUNDER OR OTHERWISE, EVEN IF THE APPLICABLE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

(b) IN NO EVENT SHALL THE PROVIDING PARTY OR ITS REPRESENTATIVES BE LIABLE FOR ANY DIRECT DAMAGES IN CONNECTION WITH ANY PERFORMANCE UNDER THIS AGREEMENT OR ANY BREACH OF ANY OBLIGATIONS HEREUNDER, OR OTHERWISE THAT EXCEED THE SUM OF THE AMOUNT PAID AND THE AMOUNT PAYABLE FOR THE TRANSITION SERVICES UNDER THIS AGREEMENT. THE RECEIVING PARTY ACKNOWLEDGES THAT THE CHARGES FOR THE TRANSITION SERVICES IT RECEIVES AND THE RESOURCES PROVIDED HEREUNDER HAVE BEEN ESTABLISHED IN CONTEMPLATION OF THE FOREGOING ALLOCATION OF RISK.

(c) THE WAIVER OF CONSEQUENTIAL DAMAGES AND THE LIMITATION OF LIABILITY SET FORTH IN CLAUSES (a) AND (b) ABOVE EXPRESSLY EXCLUDE ALL LIABILITY ARISING FROM (1) BREACHES OF THE NON-USE AND NON-

DISCLOSURE OBLIGATIONS OF SECTION 7 ABOVE, OR (2) A PARTY'S FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

14. Indemnification.

(a) Indemnification by the Receiving Party. The Receiving Party shall indemnify, defend and hold harmless the Providing Party, and its Representatives, successors and assigns (the "Providing Party Indemnitees"), from and against and in respect of any and all Losses, which the Providing Party Indemnitees suffer as a result of third party claims relating to or arising out of: (i) the performance by the Providing Party of any Transition Services pursuant to this Agreement, other than to the extent such Losses are the result of (A) the fraud, gross negligence or willful misconduct of the Providing Party or its Representatives or independent contractor in the performance of, or failure to perform under, this Agreement, or (B) a material breach of this Agreement by the Providing Party or its Affiliates, Representatives or independent contractors; (ii) any material breach of this Agreement by the

Receiving Party or its Affiliates, Representatives or independent contractors, it being acknowledged and agreed that the failure to pay any amounts due hereunder within the time required hereunder for such payment shall be deemed to be a material breach; or (iii) fraud, gross negligence or willful misconduct of the Receiving Party or any of its Affiliates.

(b) Indemnification by the Providing Party. The Providing Party shall indemnify, defend and hold harmless the Receiving Party, and its respective Representatives, successors and assigns (collectively, the "Receiving Party Indemnitees"), from and against and in respect of any and all Losses, which the Receiving Party Indemnitees suffer as a result of third party claims relating to or arising out of: (i) fraud, gross negligence or willful misconduct of the Providing Party in the performance of, or failure to perform under, this Agreement; or (ii) any material breach of this Agreement by the Providing Party or its Affiliates, Representatives or independent contractors. Except as provided in the first sentence of this Section 14(b) above, the Providing Party shall have no liability whatsoever to any Receiving Party Indemnitees for any error, act or omission in connection with the Transition Services to be rendered hereunder, and the Providing Party's sole responsibility to the Receiving Party Indemnitees with respect to any error, act or omission in connection with the Transition Services shall be as follows: (A) in the event of the Providing Party's error or omission in connection with the Transition Services, to furnish correct information and to provide any necessary adjustment in the Transition Services at no additional cost or expense to the Receiving Party or its Affiliates; and (B) in the event of the Providing Party's failure to deliver any Transition Service because of a force majeure, to use reasonable efforts to make the Transition Services available and/or to resume performing the Transition Services as promptly as reasonably practicable.

(c) Indemnification Process. The Party seeking indemnification under this Section 14 (the "Indemnified Party") shall provide prompt written notice of such claim to other Party (the "Indemnifying Party"), describing the claim, the amount thereof (if known) and the alleged basis thereof. For the avoidance of doubt, the failure of the Indemnified Party to provide such notice shall not affect the indemnification obligations of the Indemnifying Party, unless and to the extent the Indemnifying Party is actually prejudiced by such failure. Subject to the remaining provisions of this Section 14(c), the Indemnifying Party shall be entitled to assume and control the defense and/or settlement of any such claim. The Indemnifying Party acknowledges and agrees that the Indemnified Party has the right to participate, at its own expense, in the defense of any claim for which the Indemnified Party is seeking indemnification under this Section 14. The Indemnifying Party may not settle, compromise or consent to the entry of any judgment in any such claim without the prior written consent of the Indemnified Party, unless such settlement, compromise or consent: (i) includes an unconditional release of the Indemnified Party from all liability arising out of such commenced or threatened claim; and (ii) does not include a statement as to, or an admission of fault, culpability or failure to act by or on behalf of, the Indemnified Party.

(d) Indemnification Payment. Any indemnification payment pursuant to this Section 14 shall be effected by wire transfer of immediately available funds from the Indemnifying Party to an account designated by each applicable Indemnified Party within twenty (20) days after the determination thereof.

(e) General. No right of indemnification shall exist under this Agreement with respect to matters for which indemnification may reasonably be claimed under the Purchase Agreement, it being the intent of the Parties that claims that are addressed under the Purchase Agreement shall be governed solely by the Purchase Agreement. No right of indemnification shall exist under the Purchase Agreement for claims arising out of the performance of this Agreement, it being the intent of the Parties that such claims shall be solely governed by the provisions of this Agreement. Notwithstanding the foregoing, no claim for indemnification made under this Agreement shall be denied solely based on

the preceding two sentences if such claim was initially brought under the Purchase Agreement and denied because the subject matter of such claim was reasonably believed to be covered under the indemnification provisions of this Agreement.

15. Force Majeure. Neither Party shall have any liability for Losses under this Agreement relating to, arising from or in connection with a delay in performance or a failure to perform caused by force majeure, that is due to circumstances beyond the reasonable control of the Party affected thereby, including, without limitation, acts of God, acts of civil or military authority, fires, floods, inclement weather, epidemics, accidents, quarantine restrictions, war, terrorist acts, riots, demonstrations, strikes, lock-outs, labor disputes, labor shortages, sabotage, disruption of Internet access or the Providing Party Computer Network beyond the reasonable control of the Party providing such performance, whether as a result of any virus, worm, Trojan Horse, malware or other malicious or unauthorized code, accidents with respect to machinery or equipment, governmental action or inaction, order or restraints of governmental or other competent authorities, unavoidable delay in obtaining necessary materials, facilities or equipment in the open market caused by third parties, and delays in transportation caused by third parties; provided, however, that the Party affected by such force majeure event uses diligent efforts, under the circumstances, to notify the other Party in writing of the circumstances causing the delay or non-performance and resumes performance as soon as reasonably possible, and provided further that the other Party shall have the right to terminate this Agreement on 30 days' prior written notice to the affected Party if the force majeure event continues unabated for a period of 90 days.

16. Certain Definitions. The following capitalized terms are defined in this Agreement in the respective sections hereof indicated opposite each such term below:

Term	Section Number

Agreement	Preamble
Buyer	Preamble
Buyer Receiving Party	2(a)
Buyer's Transition Services	2(b)
Dependent Transition Services	7(f)
Discloser	7(a)
Dispute Notice	5(h)(i)
Disputed Amount	5(h)(iii)
Incremental Cost Notice	5(c)(i)
Indemnified Party	14(c)
Indemnifying Party	14(c)
Missing Transition Service	2(c)
Party	Preamble
Pass Through Expenses	5(d)
Project Manager	2(g)
Proprietary Information	7(a)
Providing Party	2(b)
Providing Party Computer Network	6(a)
Providing Party Indemnitees	14(a)
Purchase Agreement	Recitals
Receiving Affiliate	2(b)
Receiving Party	2(b)
Receiving Party Indemnitees	14(b)
Recipient	7(a)

Seller	Preamble
Seller Receiving Party	2(b)
Seller's Transition Services	2(a)
Term	12(a)
Third Party Agreement	8
Transition Services	2(b)
Transition Service Expenses	5(e)(i)
Transition Services Manager	2(h)
Trigger Event	12(f)(i)
Triggered Transition Services	12(f)(i)

17. Miscellaneous.

(a) Further Assurances. If any further action is necessary, proper or desirable to carry out any purpose of this Agreement, then each Party hereto will take such further action (including the execution and delivery of further documents) as the other Party hereto reasonably requests to carry out such purpose. The foregoing will be at the expense of such requesting Party, except to the extent such requesting Party is entitled to indemnification therefor or to the extent this Agreement otherwise allocates such expense to any other Party.

(b) No Solicitation; No Hire. During the Term of this Agreement and for a period of one (1) year thereafter, neither Party shall solicit, offer employment to or hire any employee of the other Party or its Affiliates who has or had been involved in the provision of Transition Services or performance of this Agreement; provided, however, that neither Party shall be prohibited from (i) initiating searches for employees through the use of general advertisement or through the engagement of firms to conduct searches that are not targeted or focused on the employees of the other Party (and the hiring of employees that respond to any such searches) or (ii) hiring any such employee not employed by the other Party at the time of solicitation.

(c) Independent Contractor Status. Nothing contained in this Agreement shall be deemed to constitute a single employer, joint employer, co-employer, alter-ego, agency, partnership, joint venture or similar relationship between the Providing Party or any of the Providing Party's Affiliates, on the one hand, and the Receiving Party or any of the Receiving Party's Affiliates, on the other hand. Each Providing Party is acting pursuant to this Agreement solely as an independent contractor.

(d) No Right of Set-off. All payments to be made by any Party under this Agreement shall be made free of any set-off and shall be promptly remitted to the Party entitled to receive payments hereunder.

(e) No Implied Assignments or Licenses. Nothing in this Agreement is to be construed as an assignment or grant of any right, title or interest in any Intellectual Property.

(f) Assignment. Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by either Party without the prior written consent of the other Party, and any such assignment without such prior written consent shall be null and void; provided, however, that no assignment shall limit the assignor's obligations hereunder. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective permitted successors and assigns.

(g) Third Party Beneficiaries. Except as expressly provided in Sections 2, 8, and 14, nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the Parties and their respective successors and permitted assigns any rights, remedies or

liabilities under or by reason of this Agreement.

(h) Limitation on Actions. Any action, claim, suit, litigation or other proceeding arising out of or relating to this Agreement must be commenced within one (1) year after the earlier of (i) the expiration of the Term including any extensions thereof, or (ii) the termination of this Agreement.

(i) No Waiver by Conduct; Waiver. Except where a specific period for action or inaction is provided herein, neither the failure nor any delay on the part of any Party hereto in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any Party hereto of any such right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The failure of a Party hereto to exercise any right conferred herein within the time required shall cause such right to terminate with respect to the transaction or circumstances giving rise to such right, but not to any such right arising as a result of any other transactions or circumstances.

(j) Cumulative Remedies. Except as expressly provided otherwise in this Agreement, all rights and remedies of either Party hereto are cumulative of each other and of every other right or remedy such Party may otherwise have at law or in equity, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

(k) Governing Law. This Agreement (and any claim or controversy arising out of or relating to this Agreement) shall be governed by the laws of the State of Delaware without regard to conflict of law principles that would result in the application of any Law other than the laws of the State of Delaware.

(l) Waiver of Trial by Jury. EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE EITHER OF SUCH WAIVERS, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS, (C) IT MAKES SUCH WAIVERS VOLUNTARILY, AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 17(l).

(m) Consent to Jurisdiction. Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Chancery Court of the State of Delaware and any state appellate court therefrom within the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over a particular matter, any state

or federal court within the State of Delaware) (the "Applicable Delaware Court"), in any action or proceeding arising out of or relating to this Agreement or for recognition or enforcement of any judgment relating thereto, and each Party hereby irrevocably and unconditionally (i) agrees not to commence any such action or proceeding except in an Applicable Delaware Court; (ii) agrees that any claim in respect of any such action or proceeding may be heard and determined in an Applicable Delaware Court; (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any Applicable Delaware Court; and (iv) waives, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any Applicable Delaware Court. Each Party agrees that (a) this Agreement involves at least $100,000.00 and (b) this Agreement has been entered into by the Parties hereto in express reliance upon 6 Del. C. § 2708. Each Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each Party irrevocably consents to service of process in the manner provided for notices in this Agreement. Nothing in this Agreement will affect the right of any Party hereto to serve process in any other manner permitted by Law.

(n) Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

(o) Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile, *.pdf* or email), each of which when executed shall be deemed an original and all of which together shall constitute one and the same instrument.

(p) Entire Agreement. This Agreement, the Purchase Agreement and the Confidentiality Agreement (as defined in the Purchase Agreement) constitute the entire agreement between the Parties hereto and supersede all other prior covenants, agreements, undertakings, obligations, promises, arrangements, communications, representations and warranties, whether oral or written, by any Party hereto or by any director, officer, employee, agent, Affiliate or Representative of any Party hereto.

(q) Amendment. This Agreement may not be amended, supplemented or modified except by an instrument in writing signed on behalf of each of the Parties hereto. No waiver of any term of this Agreement shall be binding unless executed in writing by the Party to be bound thereby.

(r) Notice. All notices and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy; the day after it is sent, if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); and five (5) Business Days after the date mailed by certified or registered mail, postage prepaid, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to:

If to the Seller, to:

Avery Dennison Corporation
8080 Norton Parkway
Mentor, OH 44060
Attn: Gary Campbell, Director of Finance & Accounting Services
Telephone: (440) 534-6170
Fax: (440) 534-6335

with a copy to (which shall not constitute notice):

Avery Dennison Corporation
150 N. Orange Grove Blvd.
Pasadena, CA 91103
Attn: General Counsel
Telephone: (626) 304-2000
Fax: (626) 304-2108

with a further copy to (which shall not constitute notice):

Latham & Watkins LLP
355 South Grand Avenue
Los Angeles, CA 90071
Attn: Scott Hodgkins and Jeffrey L. Kateman
Telephone: (213) 891-8739 and (213) 891-8705
Fax: (213) 891-8763

If to Buyer, to:

CCL Industries Inc.
c/o CCL Label, Inc.
161 Worcester Road, Suite 502
Framingham, Massachusetts 01701
Attn: President
Telephone: (508) 872-4511 ext. 404
Fax: (508) 872-7671

with a copy (which shall not constitute notice) to:

CCL Industries Inc.
105 Gordon Baker Road
Willowdale, Ontario M2H3P8
Canada
Attn: General Counsel
Telephone: (416) 756-8546
Fax: (416) 756-8548

or to such other place and with such other copies as either Party may designate as to itself by written notice to the others.

(s) Interpretation. The titles, captions or headings of the Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. Any capitalized terms used in any Exhibit but not otherwise defined

therein shall have the meaning as defined in this Agreement. All Exhibits annexed hereto or referred o herein are hereby incorporated in and made a part of this Agreement as if set forth herein. All references to dollars in this Agreement shall be deemed to refer to such amounts in United States Dollars and all references to days or months shall be deemed references to calendar days or months. Unless the context otherwise requires, any reference to a "Section," "Exhibit," or "Schedule" shall be deemed to refer to a section of this Agreement, exhibit to this Agreement or a schedule to this Agreement, as applicable. Any reference to any federal, state, provincial, county, local or foreign statute or Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. For all purposes of and under this Agreement, (i) the word "including" shall be deemed to be immediately followed by the words "without limitation"; (ii) words (including defined terms) in the singular shall be deemed to include the plural and vice versa; (iii) words of one gender shall be deemed to include the other gender as the context requires; (iv) "or" is not exclusive; and (v) the terms "hereof," "herein," "hereto," "herewith" and any other words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including the Exhibits and Schedules hereto) and not to any particular term or provision of this Agreement, unless otherwise specified.

(t) No Presumption Against Drafting Party. Each of the Parties hereto acknowledges that each Party to this Agreement has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of Law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting Party has no application and is expressly waived.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this Transition Services Agreement to be executed and delivered as of the date and year first written above.

SELLER

AVERY DENNISON CORPORATION

By: _____
Its: _____

BUYER

CCL INDUSTRIES INC.

By: _____
Its: _____

Exhibit F

FORM OF SUPPLY AGREEMENT

This **SUPPLY AGREEMENT** (this "**Agreement**"), effective as of , 2013 (the "**Effective Date**"), is entered into by and between **AVERY DENNISON CORPORATION**, a Delaware corporation, through its Materials Group and Performance Tapes Group, ("**Supplier**") and CCL Label, Inc., a Michigan corporation ("**Customer**"), on behalf of itself and each of its Affiliates. Supplier and Customer are referred to herein individually as a "**Party**" and collectively as the "**Parties**." Capitalized terms used in this Agreement that are not defined where first used shall have the meanings given such terms in Annex A to this Agreement.

BACKGROUND

WHEREAS, Supplier is in the business of developing, manufacturing and selling pressure sensitive label stock, adhesive and other base material products;

WHEREAS, Customer is an existing customer of Supplier and has been acquiring pressure sensitive label stock, adhesive and other base material products from Supplier under various agreements for its existing businesses (the "**CCL Base Business**");

WHEREAS, pursuant to a Purchase Agreement, dated January 29, 2013 (the "**Purchase Agreement**"), Customer has acquired the office and consumer products business and the designed and engineered solutions business from Supplier and Affiliates of Supplier (collectively and as more fully detailed in the Purchase Agreement, the "**Acquired Business**");

WHEREAS, the Acquired Business had been acquiring pressure sensitive label stock, adhesive and other base material products from Supplier under various agreements; and

WHEREAS, Customer desires to purchase from Supplier, and Supplier is willing to manufacture and sell to Customer, products for the CCL Business and the Acquired Business**,** and the Parties deem it desirable to establish a single set of terms and conditions that shall govern the sale by Supplier and the purchase by Customer of all such products.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the Parties agree as follows:

AGREEMENT

1. PRODUCTS

1.1 Purchase and Sale of Products. From time to time during the term of this Agreement, Customer shall purchase from Supplier and Supplier shall supply to Customer the Products pursuant to the terms and conditions of this Agreement.

1.2 Exclusivity for Exclusive Products Sold to Customer.

(a) Subject to Section 1.2(d) and any minimum purchase requirements agreed by the Parties in the most current Price Card, during the Term, the Exclusive Products and Exclusive Components shall be supplied exclusively to Customer as provided in the Price Card. Supplier's exclusivity obligations for the Exclusive Products and any Exclusive Components shall apply worldwide within the Field of Use corresponding to each Product. Exclusive Products and Exclusive Components may be sold by Supplier to third parties for use outside of their respective Field of Use.

(b) For the avoidance of doubt, except with respect to components expressly designated as Exclusive Components, the exclusivity referred to in this Section 1.2 applies to the Product as a whole, and not the individual components such as the adhesive, face stock and liner.

(c) Supplier may supply all Products (other than Exclusive Products), Volume Decline Products and Products containing Volume Decline Components to Customer on a non-exclusive basis.

(d) Commencing in calendar year 2014, Supplier, in its sole discretion and after thirty (30) days prior written notice to Customer, can elect to discontinue Customer's exclusivity on (i) an Exclusive Product if Customer's purchases of such Exclusive Product in any calendar year are less than (A) eighty five percent (85%) of the volume of purchases of such Exclusive Product in the immediately preceding calendar year or (B) seventy five percent (75%) of the volume of purchases of such Exclusive Product in the twelve (12) full months prior to the Effective Date (any Exclusive Product with respect to which Supplier makes such election, a "**Volume Decline Product**") or (ii) an Exclusive Component if Customer's aggregate purchases of all Exclusive Products that contain such Exclusive Component in any calendar year are less than (A) eighty five percent (85%) of the volume of purchases of such Exclusive Products in the immediately preceding calendar year or (B) seventy five percent (75%) of the volume of purchases of such Exclusive Products in the twelve (12) full months prior to the Effective Date (any Exclusive Component with respect to which Supplier makes such election, a "**Volume Decline Component**"). All purchase volumes referred to in this Section 1.2(d) shall be calculated in US Dollars. For the avoidance of doubt, a Volume Decline Product shall not be considered an Exclusive Product and a Volume Decline Component shall not be considered an Exclusive Component for any purpose under this Agreement and regardless of any contrary statement in any Price Card.

1.3 Grant of Intellectual Property Rights. During the Term of this Agreement, Customer hereby grants to Supplier and its Affiliates a non-exclusive, world-wide, royalty free right and license to any intellectual property owned by Customer solely for the purposes of manufacturing and selling the Products to Customer and its Affiliates under this Agreement. Customer also covenants, on behalf of itself and its Affiliates, not to bring any action or other proceeding for infringement or other violation of any intellectual property owned or controlled by Customer with respect to any Products manufactured and sold by Supplier or its Affiliates to Customer or its Affiliates under this Agreement.

2. TERMS AND CONDITIONS OF SALE

All purchases and sales of Products shall also be subject to Supplier's standard Terms and Conditions of Sale, as modified from time to time by Supplier upon not less than sixty (60) days advance written notice to Customer ("**Standard Terms and Conditions**").

3. CONFLICTING TERMS

3.1 Purchase Order. If any Purchase Order, acknowledgement, quotation or other purchasing document issued by either Party includes terms or conditions that are inconsistent with or conflict with any terms or conditions set forth in this Agreement or Price Card, the terms and conditions set forth in this Agreement and the most recent Price Card shall control, unless an authorized officer of each Party has expressly agreed in a separate writing to such inconsistent and/or conflicting terms.

3.2 Standard Terms and Conditions. If any of the terms or conditions set forth in this Agreement conflict with the Standard Terms and Conditions, the terms or conditions in this Agreement shall control.

3.3 Price Card. If any of the terms or conditions set forth in this Agreement conflict with the most recent Price Card, the most recent Price Card shall control.

4. PRICES AND PAYMENT

4.1 Prices. The prices for Products and the terms and conditions under which prices may be modified from time to time shall be as set forth in the most current Price Card agreed to by the Parties.

4.2 Payment Terms. The payment terms shall be as set forth in the most current Price Card agreed to by the Parties.

5. TERM AND TERMINATION

5.1 Term. The initial term of this Agreement shall commence on the Effective Date and continue for a period of five (5) years (the "**Initial Term**"), unless sooner terminated as provided in this Article 5. Customer shall have the right to renew this Agreement for an additional term of one (1) year (a "**Renewal Term**") on not less than one hundred eighty (180) days advance notice prior to the end of the Initial Term of the Agreement. The Initial Term together with the Renewal Term is referred to herein as the "**Term.**"

5.2 Termination by Mutual Agreement. This Agreement may be terminated by the mutual written agreement of the Parties.

5.3 Termination for Cause. Either Party may terminate this Agreement effective immediately upon providing written notice of termination to the other Party, if such other Party fails to cure any material breach of this Agreement within ninety (90) days after receiving written notice of such breach.

5.4 Effect of Termination. Upon the expiration or termination of this Agreement for any reason: (i) Customer shall purchase sufficient Products to consume all raw materials used exclusively to manufacture the Exclusive Products and Exclusive Components then held in inventory by Supplier

or that are subject to non-cancellable purchase orders or other contractual commitments, consistent with the Forecast and with commercially reasonable ordering practices; (ii) Supplier shall continue production and delivery of all Products in accordance with all Purchase Orders accepted by Supplier prior to the effective date of such expiration or termination; provided, however, that if Supplier is terminating this Agreement due to Customer's breach of this Agreement pursuant to Section 5.3, Supplier may, in its sole discretion, cancel any such Purchase Orders in whole or in part; and (iii) each Party shall return all Confidential Information of the other Party as provided in Section 7.3 below. Any expiration or termination of this Agreement for any reason will not affect any rights or liabilities of either Party which may have accrued prior to the date of termination.

5.5 Survival. Any terms and conditions that by their nature or otherwise reasonably should survive any termination of this Agreement shall be deemed to survive, including Section 5.4, Articles 6, 7, and 8, and Annex A (to the extent necessary to interpret the other surviving provisions).

6. LIMITATION OF LIABILITY

6.1 Limitation of Liability.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY, WHETHER IN CONTRACT OR IN TORT, OR OTHERWISE, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFIT, LOSS OF USE OF PRODUCTION OR LOSS OF CAPITAL, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR EITHER PARTY'S PERFORMANCE OR NONPERFORMANCE HEREUNDER. EXCLUDING EACH PARTY'S (I) BREACH OF ITS CONFIDENTIALITY OBLIGATIONS UNDER ARTICLE 7 OR (II) FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY'S LIABILITY UNDER ANY CLAIM FOR ANY LOSS OR DAMAGES ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM THIS AGREEMENT OR FROM THE PERFORMANCE OR BREACH HEREOF SHALL EXCEED THE AMOUNTS PAID OR PAYABLE TO SUPPLIER FOR THE PRODUCTS UNDER THE PURCHASE ORDER OUT OF WHICH SUCH CLAIM ARISES.

7. CONFIDENTIALITY

7.1 Confidentiality Obligations. All Confidential Information shall remain the property of the applicable Disclosing Party. The Receiving Party shall hold all Confidential Information of the Disclosing Party in strict trust and confidence, and shall not disclose such Confidential Information other than to its employees and agents who need to know such Confidential Information solely for the purpose of performing the Receiving Party's obligations under this Agreement and who are bound by confidentiality agreements with

respect to such Confidential Information that are no less restrictive than the confidentiality provisions of this Agreement. The Receiving Party shall not use the Confidential Information in any manner or for any purpose, other than in connection with the performance of its obligations under this Agreement. Without limiting the foregoing, the Receiving Party shall protect the Confidential Information of the Disclosing Party from unauthorized use, access, or disclosure in the same manner as the Receiving Party protects its own Confidential Information of a similar nature, and in any event, with no less than reasonable care taking into account the nature of the Confidential Information. The Receiving Party shall notify the Disclosing Party in writing promptly upon becoming aware of any unauthorized use or disclosure of any Confidential Information of the Disclosing Party.

7.2 Exceptions. The confidentiality obligations set forth in Section 7.1 above shall not apply to any information that: (i) is lawfully in the possession of the Receiving Party without restriction on disclosure at the time of the Disclosing Party's first disclosure to the Receiving Party (as evidenced by written records); provided that this clause (i) shall not limit (A) Supplier's obligations with respect to Confidential Information of Customer that was in Supplier's possession or known to Supplier's employees or contractors prior to the Effective Date that relates exclusively to the Acquired Business or (B) Customer's obligations with respect to Confidential Information of Supplier and its Affiliates that was in Customer's possession or known to Customer's employees or contractors prior to the Effective Date that relates exclusively to businesses of Supplier and its Affiliates other than the Acquired Business; (ii) is disclosed to the Receiving Party by a third party who had the right to make such disclosure to the Receiving Party free of any confidentiality obligations; (iii) is independently developed by the Receiving Party without reference to or use of the Disclosing Party's Confidential Information (as evidenced by written records); or (iv) is, or through no fault of the Receiving Party has become, generally available to the public. In addition, the Receiving Party may disclose Confidential Information of the Disclosing Party to the extent that such disclosure is required by law, a court order, or a governmental agency with jurisdiction, provided that before making such a required disclosure the Receiving Party notifies the Disclosing Party in writing of such required disclosure as soon as is reasonably practicable after receiving notice of any such required disclosure, takes commercially reasonable actions to assure the confidential handling of the Disclosing Party's Confidential Information, including, to the extent permissible and practicable, affording the Disclosing Party a reasonable period of time to seek a protective order prohibiting the disclosure of the Disclosing Party's Confidential Information, if allowed by applicable law and cooperates with the Disclosing Party, at the Disclosing Party's reasonable request and expense, in any lawful action to contest or limit the scope of such required disclosure.

7.3 Return of Confidential Information. Upon the expiration or termination of this Agreement for any reason, or at any time upon the Disclosing Party's request, the Receiving Party shall return to the Disclosing Party or destroy all tangible copies of Confidential Information in the Receiving Party's possession or control and will erase from its computer systems all electronic copies thereof, except that the Receiving Party's legal counsel may retain one copy of such Confidential Information for record purposes only.

7.4 Confidentiality of the Agreement. The Parties acknowledge and agree that the terms and conditions of this Agreement, but not the existence of this Agreement, are the

Confidential Information of both Parties. Neither Party shall disclose any terms or conditions of this Agreement to any third party without the prior written consent of the other Party, except: (i) as required by law or regulations; (ii) to its attorneys, accountants, and other professional advisors under a duty of confidentiality; and (iii) to a third party bound by a duty of confidentiality in connection with obtaining financing or a proposed merger or a proposed sale of all or part of such Party's business which relates to this Agreement.

8. GENERAL

8.1 Governing Law. This Agreement (and any claim or controversy arising out of or relating to this Agreement) shall be governed by the laws of the State of Delaware, without regard to conflict of law principles that would result in the application of any law other than the laws of the State of Delaware.

8.2 Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE EITHER OF SUCH WAIVERS, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS, (C) IT MAKES SUCH WAIVERS VOLUNTARILY, AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.2.

8.3 Force Majeure. Neither Party shall be deemed to have defaulted under or breached this Agreement or be liable for any loss, damage, delays, changes in shipment schedules or failure to deliver or for any other failure or delay in fulfilling or performing any term of the Agreement (other than the payment of money) when such failure or delay is caused by or results from causes beyond the reasonable control of the affected Party, including fire, storms, floods, earthquakes, natural disasters, embargoes, war, acts of war (whether war be declared or not), acts of terrorism, insurrections, riots, strikes, lockouts or other labor disturbances of third parties or any regional or national labor disturbances, accidents, failure of carriers, inability to obtain transportation facilities, failures by suppliers to Supplier, acts of God or public enemies, or omissions or delays in acting by any governmental authority (each a "**Force Majeure Event**"), and the affected Party will be entitled to an extension for a period equal to the duration of the delay caused thereby; provided, however, that the Party affected by such Force Majeure Event uses diligent efforts, under the circumstances, to notify the other Party in writing of the circumstances causing the delay or non-performance and resumes performance as soon as reasonably possible. If the

Force Majeure Event is reasonably expected to delay delivery of Products by more than ten (10) days, Customer shall also have the right, as its exclusive remedy for any failure to supply, to purchase substitute products that are substantially similar to the Products affected by the Force Majeure event from third parties on a commercially reasonable basis ("**Substitute Products**"), but for not longer than one hundred and twenty (120) days after such failure is cured or for such shorter period as termination is permitted in any commercially reasonable contract for Substitute Products entered into by Customer during such failure.

8.4 Assignment. Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by either Party without the prior written consent of the other Party. Notwithstanding the foregoing, during the Term, this Agreement (i) must be assigned by either Party to its successor or assign that acquires all or substantially all of that Party or the business to which this Agreement relates, whether by security or asset sale, acquisition, merger, reverse merger or any other bona fide transfer and (ii) may be collaterally assigned as part of any bona fide secured lending arrangement. Any attempted assignment or transfer in violation of this Section 8.4 shall be null and void. Subject to the foregoing, this Agreement will be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective permitted successors and assigns.

8.5 Waiver. Except where a specific period for action or inaction is provided herein, neither the failure nor any delay on the part of any Party hereto in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any Party hereto of any such right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The failure of a Party hereto to exercise any right conferred herein within the time required shall cause such right to terminate with respect to the transaction or circumstances giving rise to such right, but not to any such right arising as a result of any other transactions or circumstances.

8.6 Independent Contractors. Nothing contained in this Agreement shall be deemed to constitute a single employer, joint employer, co-employer, alter-ego, agency, partnership, joint venture or similar relationship between either Party or any of such Party's Affiliates, on the one hand, and the other Party or any of the other Party's Affiliates, on the other hand. Each Party is acting pursuant to this Agreement solely as an independent contractor.

8.7 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile, *.pdf* or email), each of which when executed shall be deemed an original and all of which together shall constitute one and the same instrument.

8.8 Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision

or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

8.9 Notice. All notices and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by fax; the day after it is sent, if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); and five (5) business days after the date mailed by certified or registered mail, postage prepaid, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to:

If to Supplier, addressed to:

Avery Dennison Corporation
Materials Group
8080 Norton Parkway
Mentor, Ohio 44060
Attn: Don Nolan, President Materials Group
Telephone: (440) 534-6060
Fax: (440) 534-6556

with a copy to (which shall not constitute notice):

Avery Dennison Corporation
Materials Group
8080 Norton Parkway
Mentor, Ohio 44060
Attn: Kenneth D. Schwartz, VP & Assistant General Counsel, Materials Group
Telephone: (440) 534-4895
Fax: (440) 534-4773

If to Customer, addressed to:

CCL Label, Inc.
161 Worcester Rd., Ste 502
Framingham MA 01701
Attention: President & CEO
Telephone: 508 872 4511
Fax: 508 872 7671

with a copy to (which shall not constitute notice):

CCL Label, Inc.
c/o CCL Industries Inc.
105 Gordon Baker Road, Ste 500
Willowdale, ON M2H 3P8

Attention: General Counsel
Telephone: 416 756 8546
Fax: 416 756 8548

or to such other place and with such other copies as either Party may designate as to itself by written notice to the others.

8.10 Entire Agreement; Amendment. This Agreement, any quotation provided by Supplier, and each Purchase Order provided by Customer (excluding any terms and conditions therein which conflict with or are additional to the terms and conditions provided herein) constitute the entire agreement between the Parties hereto with respect to the subject matter hereof, and supersede all other prior covenants, agreements, undertakings, obligations, promises, arrangements, communications, representations and warranties, whether oral or written, with respect to the subject matter hereof by any Party hereto or by any director, officer, employee, agent, Affiliate or representative of any Party hereto. This Agreement may not be amended or modified except in an instrument in writing signed on behalf of each of the Parties hereto.

8.11 No Presumption Against Drafting Party. Each of the Parties hereto acknowledges that each Party to this Agreement has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting Party has no application and is expressly waived.

8.12 Interpretation. The titles, captions or headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. Any capitalized terms used in any Exhibit but not otherwise defined therein shall have the meaning as defined in this Agreement. All Exhibits or Annexes annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth herein, and all references to the Agreement shall include such Exhibits and Annexes. All references to dollars in this Agreement shall be deemed to refer to such amounts in United States Dollars and all references to days or months shall be deemed references to calendar days or months. Unless the context otherwise requires, any reference to a “Section,” “Article,” “Exhibit” or “Annex” shall be deemed to refer to a section or article of this Agreement, or Exhibit or Annex to this Agreement, as applicable. Any reference to any federal, state, provincial, county, local or foreign statute or Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. For all purposes of and under this Agreement, (i) the word “including” shall be deemed to be immediately followed by the words “without limitation”; (ii) words (including defined terms) in the singular shall be deemed to include the plural and vice versa; (iii) words of one gender shall be deemed to include the other gender as the context requires; (iv) “or” is not exclusive; and (v) the terms “hereof,” “herein,” “hereto,” “herewith” and any other words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular term or provision of this Agreement, unless otherwise specified.

8.13 Further Assurances. If any further action is necessary, proper or desirable to carry out any purpose of this Agreement, then each Party hereto will take such further action (including the execution and delivery of further documents) as the other Party hereto reasonably requests to carry out such

purpose. The foregoing will be at the expense of such requesting Party, except to the extent such requesting Party is entitled to indemnification therefor or to the extent this Agreement otherwise allocates such expense to any other Party.

8.14 No Solicitation; No Hire. During the Term of this Agreement and for a period of one (1) year thereafter, neither Party shall solicit, offer employment to or hire any employee of the other Party or its Affiliates who has or had been involved in the performance of this Agreement; provided, however, that neither Party shall be prohibited from (i) initiating searches for employees through the use of general advertisement or through the engagement of firms to conduct searches that are not targeted or focused on the employees of the other Party (and the hiring of employees that respond to any such searches) or (ii) hiring any such employee not employed by the other Party at the time of solicitation.

8.15 No Conflict. Each Party warrants that it has no obligations to any third party that will conflict in any way with its obligations under this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

"**SUPPLIER**"		"**CUSTOMER**"	
AVERY DENNISON CORPORATION		**CCL LABEL, INC.**	
By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

ANNEX A

DEFINITIONS

The following terms shall have the meanings set forth below when used in this Agreement:

"**Affiliate**" of a Party means any person or entity which controls, is controlled by, or is under common control with, such Party, where "control" means ownership of fifty percent (50%) or more of the outstanding voting securities or other interests having voting rights with respect to the election of the board of directors or similar governing authority (but only as long as such person or entity meets these requirements).

"**Confidential Information**" means any and all non-public, confidential or proprietary information related to the business of a Party, which may include trade secrets, technical information, product information, business forecasts and strategies, marketing plans, customer and supplier lists, personnel information, financial data, know-how, designs, formulas, calculations, algorithms, test results, studies, manuals, documentation, processes, reports, and proprietary information of third parties provided to such Party in confidence.

"**DES Field**" means the development, manufacture, supply, distribution, marketing and sales of DES Products and Solutions (in each case as conducted at one or more of the DES Manufacturing and Office Sites as of the Effective Date); provided that the term "DES Field" shall exclude the conduct by Supplier through certain of its Subsidiaries and divisions of the development, manufacture, supply, distribution, marketing and sales of (i) products developed, manufactured, marketed, distributed or sold by the Avery Dennison Retail Branding and Information Solutions Group ("RBIS"), other than contractual rights to acquire such products from RBIS, (ii) products developed, manufactured, marketed, distributed or sold by the Avery Dennison Performance Tapes Group ("Performance Tapes"), other than contractual rights to acquire such products from Performance Tapes, (iii) products developed, manufactured, marketed, distributed or sold by the Avery Dennison Graphics Solutions Group ("Graphics Solutions"), other than contractual rights to acquire such products from Graphics Solutions, (iv) products developed, manufactured, marketed, distributed or sold by the Avery Dennison Vancive Medical Technologies Group ("Vancive Medical"), (v) products developed, manufactured, marketed, distributed or sold by the Avery Dennison Materials Group ("Materials Group"), and (vi) industrial products (including commercial and industrial products incorporating adhesives such as pressure-sensitive laminates, industrial adhesives, or labels) which are not finished products or the products in roll form described in clauses (viii) and (ix) of the definition of "DES Products and Solutions" herein. The following terms shall have the meanings set forth below when used in this definition:

"**DES**" means the Designed and Engineered Solutions Group of Avery Dennison Corporation.

"**DES Products and Solutions**" shall mean the following products and solutions, in each case, in finished form unless specified otherwise:

(i) pressure-sensitive postage stamps and ancillary legal tender products for sale to the United States Postal Service and postal authorities of other countries;

(ii) pressure-sensitive, self-adhesive battery labels and related specialty functional accessories such as testers and holders relating to batteries currently sold to or under development for The Proctor & Gamble Company;

(iii) customized Heat Seal™ labels, in mold, sonic weld, warning, instructional, security and tracking labels and other informational labels, airbag solutions (such as curtain wrap, Tyvek® Tapes and airbag covers), and other finished die-cut, converted label and functional (such as foam and flock for automotive interiors) products for automotive OEM and Tier 1 and other automotive suppliers;

(iv) wristband, patient tracking and patient identification solutions, tamper evident products (such as pill dose packaging), chart labels, IV and bloodbag labels, and mailers and forms for healthcare distributors, hospitals and other healthcare companies;

(v) pressure-sensitive printable media solutions relating to pricing, ticketing and product display solutions to retailers (referred to as "shelf-talkers," "shelf-markers," "end cap talkers," "violators" and "wobblers") sold under the Liveaisle™ brand, as well as mailers and forms;

(vi) proprietary valve solutions for steam and coffee packaging, sensor and vacuum technology, and oxygen valve technology for consumer goods, food, automotive and other vertically integrated businesses (including those sold under the Flexis™ brand);

(vii) finished label products and solutions and other specialty finished applications unique to DES (such as "Nesta") for use in various vertically integrated businesses, including electronics and white goods;

(viii) coated decorative films for architectural products sold under the Graphicolor® brand and other industrial applications such as structural coatings and specialty laminates, in finished or roll form;

(ix) paint protection films for automotive OEM's, various aftermarket automotive channels and other vertically integrated businesses, in each case sold under the Nano-Fusion™ brand (if coated) or referred to as AST, EST and REPO (if uncoated), in finished or roll form;

(x) pressure-sensitive labels currently sold to or under development for Monster Energy; and

(xi) form label combinations for pick, pack and shipping primarily for retailers,

in each case, solely to the extent manufactured, purchased or developed as of the date of the Purchase Agreement at one or more of the DES Manufacturing and Office Sites.

"**DES Manufacturing and Office Sites**" shall mean the manufacturing and office sites operated by DES as of the Effective Date, specifically in Buffalo, Clinton, Schererville, Strongsville, Brunswick, Cleveland and Detroit.

"**Disclosing Party**" means a Party disclosing any Confidential Information under this Agreement.

"**Exclusive Components**" means the components of Exclusive Products designated as "Exclusive Components" on the most current Price Card.

"**Exclusive Products**" means all existing and future Products designated as exclusive by mutual agreement of the Parties as set forth in the most current Price Card.

"**Fields of Use**" means the DES Field, the OCP Field and the field of use for the CCL Base Business.

"**OCP Field**" means the development, manufacture, supply, distribution, marketing and sales of Printable Media Products, Label Pad Products, Note Tabs Products, and Other Products, in each case for distribution or sale through the OCP Channels to end-users; provided, that the "OCP Field" shall exclude the development, manufacture, supply, distribution, marketing and sales of (i) industrial adhesive products (including commercial and industrial products incorporating adhesives such as pressure-sensitive laminates, industrial adhesives, or labels other than labels sold or distributed to end-users through the OCP Channels), (ii) any products or services directed to business-to-business customers serving industrial, commercial and manufacturing customers, distributors and retailers engaged in use of labels for identifying, tracking or tracing assets or inventory or in the process of manufacturing, labeling, packaging, or selling such customers' products or providing services, (iii) products and solutions to the extent such products or solutions are (A) printers, (B) scanners, readers, tickets, tags, labels and/or other products and solutions incorporating acousto-magnetic, radio-frequency or electronic article surveillance technology or (C) button and other non-adhesive attachment devices, or (iv) warning, usage or other labels for industrial, manufacturing and commercial applications. The following terms shall have the meanings set forth below when used in this definition:

"**Label Pad Products**" means the label pad and label pad book products consisting of removable adhesive linerless padded paper products and related products as exemplified by those products set forth on Exhibit J to the Purchase Agreement.

"**Note Tabs Products**" shall mean the removable adhesive translucent plastic tabbed padded products, books, dispensers and related products as exemplified by those products set forth on Exhibit K to the Purchase Agreement.

"**OCP Channels**" means the following global channels: (i) retail stores, defined as office superstores (including Staples, Office Depot, Office Max, Officeworks), mass market stores (including Walmart, Target, Kmart, Carrefour), grocery stores (including Kroger, Food Lion), drug stores (including Walgreen's, CVS), club stores (including Costco, Sam's), convenience stores (including 7-11), home improvement stores (including Home Depot, Lowes, Menards), craft stores (including Michael's,

Jo-Ann Fabrics), specialty retail stores (including Container Store, Bed, Bath and Beyond, Crate and Barrel), card and stationery stores (including Hallmark, American Greetings), department stores (including Macy's), hardware stores (including Ace, True Value), dollar stores (including Dollar

General, Dollar Tree, Family Dollar) and educational retail stores (including Lifetime Learning), (ii) office and consumer products wholesalers (including United Stationers, S. P. Richards, W. B. Mason), (iii) office and consumer product catalogs, and (iv) on-line and mail order businesses (including Avery.com, Staples.com, Amazon.com, Wal-Mart.com, Quill.com, Lyreco.com), to the extent of such businesses' office and consumer products offerings.

"**Other Products**" means products other than Printable Media Products that were or are reasonably similar in form or function to the products developed (or under development), manufactured, marketed, distributed or sold by the Acquired Business as of the signing date of the Purchase Agreement. Other Products include: (i) organization, presentation and filing products (including indexes, dividers, binders, file folders, report covers and sheet protectors); (ii) writing instruments (including markers, highlighters and stick pens); (iii) stamp products; (iv) organization and identification products for professionals and individuals in the home, office and on-the-go; (v) organization, identification and other products related to education and learning; (vi) all other products intended for office or consumer use (including consumer glue products such as glue sticks or bottled glue for arts and crafts).

"**Printable Media Products**" means (i) printable media products, including all labels, cards and badges including: addressing labels, shipping labels, organizing labels, special occasion labels, business cards, greeting cards, note cards, postcards, rotary cards, name badges, and mini flexible name badges, in any form including, but not limited to, sheeted, roll good, pad and individual form, for use with any non-industrial printing technology including, but not limited to, laser, inkjet and handwriting; as well as all label, card and badge accessories; (ii) printable media product templates; and (iii) any new, improved or other product relating to any of the foregoing Printable Media Products manufactured, marketed, distributed or sold by the Acquired Business as of the signing date of the Purchase Agreement.

"**Price Card**" means a document specifying the Products available for purchase by Customer, the price for those Products, any exclusivity granted with respect to the Products, any minimum purchase requirements, payment terms and other key terms, each as agreed from time to time by the Parties.

"**Products**" means all pressure sensitive label stock, adhesive and other base material products manufactured by Supplier and sold to Customer under this Agreement. No individual laminate component of a pressure sensitive label stock Product shall be a Product.

"**Purchase Order**" means any individual purchase order placed by Customer with Supplier for the purchase of Products.

"**Receiving Party**" means a Party receiving any Confidential Information under this Agreement.

Additional Terms. The following capitalized terms are defined in this Agreement in the respective sections hereof indicated opposite each such term below:

Term	Section Number
Acquired Business	Recitals
Agreement	Preamble
CCL Base Business	Recitals
Customer	Preamble
Effective Date	Preamble
Force Majeure Event	8.3
Initial Term	5.1
Party or Parties	Preamble
Purchase Agreement	Recitals
Renewal Term	5.1
Standard Terms and Conditions	2
Substitute Products	8.3
Supplier	Preamble
Term	5.1
Volume Decline Component	1.2(d)
Volume Decline Product	1.2(d)

Exhibit G

FORM OF TRADEMARK COEXISTENCE AGREEMENT

THIS TRADEMARK COEXISTENCE AGREEMENT (this "Agreement"), effective as of , 2013 (the "Effective Date"), is by and between Avery Dennison Corporation, a Delaware corporation ("ADC"), and CCL Label, Inc., a Michigan corporation ("Buyer") (each a "Party" and together, the "Parties").

RECITALS

A. ADC and Buyer are parties to a Purchase Agreement, dated as of January 29, 2013 (as may be amended from time to time, the "Purchase Agreement"), which provides for the sale to Buyer of an office and consumer products business (the "OCP Business") and a designed and engineered solutions business (the "DES Business"), all as more specifically set forth in the Purchase Agreement. Under the terms of the Purchase Agreement, ADC shall retain all businesses other than the OCP Business and the DES Business.

B. Buyer and its affiliates acquired through the Purchase Agreement and are now the owners of the name and mark "Avery" and the Avery tilted "triangle logo" (the "Avery Logo"), each as exemplified in Exhibit A, and all common law rights and all registrations and applications for registration, if

any, pertaining thereto (together with derivatives thereof or any marks, logos or other identifiers in the future that include AVERY or the Avery Logo (other than AVERY DENNISON or the ADC Logo), the "Acquired Marks").

C. ADC and its affiliates are the owners of the name and mark "Avery Dennison" and the Avery Dennison non-tilted "triangle logo" (the "ADC Logo"), each as exemplified in Exhibit B, and all common law rights and all registrations and applications for registration, if any, pertaining thereto (together with derivatives thereof or any marks, logos or other identifiers in the future that include AVERY DENNISON or the ADC Logo (other than AVERY or the Avery Logo), the "Retained Marks").

D. The Acquired Marks and the Retained Marks (the "Marks") both contain the term AVERY and/or the "triangle logo."

E. The Parties desire to avoid any confusion, mistake, or deception as to the source or sponsorship of their respective goods and services sold under or in connection with the Retained Marks and the Acquired Marks.

F. The Parties desire that in the event any consumer confusion arises, they will cooperate and find ways to eliminate or minimize the confusion, without the obligation for either Party to cease or further restrict its respective uses of the Marks.

G. As of the closing of the Purchase Agreement, the Parties desire to co-exist on the terms and under the conditions set forth in this Agreement, with ADC owning and using the Retained Marks in connection with any businesses, products or services that are outside of the OCP Field, whether now conducted or hereafter entered into by ADC or its affiliates (the

"Retained Business"), and Buyer owning and using the Acquired Marks in connection with the OCP Business.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Buyer's Rights and Obligations.

1.1. Rights. ADC hereby acknowledges and agrees that, as between Buyer and its affiliates, on one side, and ADC and ADC's affiliates, on the other side, Buyer and its affiliates are the sole and exclusive owner of the Acquired Marks as used in connection with any current or future products or services in the OCP Field and, subject to the terms of this Agreement, have the worldwide right to use, register, apply to register, license, enforce and authorize others to use the Acquired Marks on or in connection with goods and/or services in the OCP Field. For purposes of this Agreement, the following defined terms have the following meanings:

(a) "OCP Field" means the development, manufacture, supply, distribution, marketing and sales of Printable Media Products, Label Pad Products, Note Tabs Products and Other Products, in each case for distribution or sale through the OCP Channels to end-users, provided that the term "OCP Field" shall exclude the development, manufacture, supply, distribution, marketing and sales of (i) industrial adhesive products (including commercial and industrial products incorporating adhesives such as pressure-sensitive laminates, industrial adhesives, or labels other than labels sold or distributed through the OCP Channels to end-users), (ii) any products or services directed to business-to-business customers serving industrial, commercial and manufacturing customers, distributors and retailers engaged in use of labels for identifying, tracking or tracing assets or inventory or in the process of manufacturing, labeling, packaging, or selling such customers' products or providing services, (iii) products and solutions to the extent such products or solutions are (A) the labels business conducted in Europe under the brand name "JAC" and "Fasson" by ADC and its Subsidiaries' graphics business as of the date of the Purchase Agreement, (B) printers, (C) scanners, readers, tickets, tags, labels and/or other products and solutions incorporating acousto-magnetic, radio-frequency or electronic article surveillance technology or (D) button and other non-adhesive attachment devices, or (iv) warning, usage or other labels for industrial, manufacturing and commercial applications.

(b) "OCP Channels" means the following global channels: (i) retail stores, defined as office superstores (including Staples, Office Depot, Office Max, Officeworks), mass market stores (including Walmart, Target, Kmart, Carrefour), grocery stores (including Kroger, Food Lion), drug

stores (including Walgreen's, CVS), club stores (including Costco, Sam's), convenience stores (including 7-11), home improvement stores (including Home Depot, Lowes, Menards), craft stores (including Michael's, Jo-Ann Fabrics), specialty retail stores (including Container Store, Bed, Bath and Beyond, Crate and Barrel), card and stationery stores (including Hallmark, American Greetings), department stores (including Macy's), hardware stores (including Ace, True Value), dollar stores (including Dollar General, Dollar Tree, Family Dollar) and educational retail stores (including Lifetime Learning), (ii) office and consumer products wholesalers (including United Stationers, S. P. Richards, W. B. Mason), (iii) office and consumer product catalogs, and (iv) on-line and mail order businesses (including Avery.com, Staples.com, Amazon.com, Wal-Mart.com, Quill.com, Lyreco.com), to the extent of such businesses' office and consumer products offerings.

(c) "Other Products" means products other than Printable Media Products that were or are reasonably similar in form or function to the products developed (or under development), manufactured, marketed, distributed or sold by the OCP Business as of the effective date of the Purchase Agreement. Other Products include: (i) organization, presentation and filing products (including indexes, dividers, binders, file folders, report covers and sheet protectors); (ii) writing instruments (including markers, highlighters and stick pens); (iii) stamp products; (iv) organization and identification products for professionals and individuals in the home, office and on-the-go; (v) organization, identification and other products related to education and learning; and (vi) all other

products intended for office or consumer use (including consumer glue products such as glue sticks or bottled glue for arts and crafts).

(d) "Printable Media Products" means (i) printable media products, including all labels, cards and badges including: addressing labels, shipping labels, organizing labels, special occasion labels, business cards, greeting cards, note cards, postcards, rotary cards, name badges, and mini flexible name badges, in any form including, but not limited to, sheeted, roll good, pad and individual form, for use with any non-industrial printing technology including, but not limited to, laser, inkjet and handwriting; as well as all label, card and badge accessories; (ii) printable media product templates; and (iii) any new, improved or other product relating to any of the foregoing Printable Media Products manufactured, marketed, distributed or sold by the OCP Business as of the effective date of the Purchase Agreement.

(e) "Label Pad Products" means the label pad and label pad book products consisting of removable adhesive linerless padded paper products and related products as exemplified by those products set forth on Exhibit J to the Purchase Agreement.

(f) "NoteTabs Products" shall mean the removable adhesive translucent plastic tabbed padded products, books, dispensers and related products as exemplified by those products set forth on Exhibit K to the Purchase Agreement.

1.2 Obligations.

(a) Buyer and its affiliates shall have no right hereunder to use the Retained Marks or any trademarks confusingly similar to the Retained Marks, except Buyer and its affiliates shall have the right to exhaust any existing inventory or works-in-process as of the Effective Date bearing the Retained Marks, and may continue to use shipping materials, packaging, sales literature, promotional literature, display units or other similar materials ("Ancillary Materials") that display AVERY DENNISON or any other Retained Mark or company names or trade names of ADC or its affiliates, until December 31, 2014.

(b) Buyer agrees that it shall not use, and shall cause its affiliates to not use, the Acquired Marks or any trademarks confusingly similar to the Acquired Marks in connection with the making, selling, promoting or distributing of any products or services or for any other purpose outside of the OCP Field, except Buyer and its affiliates shall have the right to exhaust any existing inventory or works-in-process as of the Effective Date bearing the Acquired Marks, and may continue to use Ancillary Materials that display AVERY or any other Acquired Mark in connection with products for the DES Business until December 31, 2014.

(c) Except as set forth in Section 1.2(a), Buyer agrees that it shall (and shall cause its affiliates to) always use the "triangle logo" in a tilted orientation and in association with the mark AVERY, so as to reduce the likelihood of confusion with the ADC Logo. For clarity, Buyer has no obligation to use the Avery Logo and may use a different logo or design (other than the ADC Logo or any logo confusingly similar thereto) or no logo or design in association with the mark AVERY.

1.3 Acknowledgement of Rights. To the extent that Buyer and its affiliates comply with Sections 1.1 and 1.2, ADC and its affiliates shall not object to Buyer's and its affiliates' use, registration of, application to register, licensing, enforcement or authorization to others to use the Acquired Marks in connection with the OCP Field as provided in this Agreement.

2. ADC's Rights and Obligations.

2.1. Rights. Buyer hereby acknowledges and agrees that, as between Buyer and its affiliates, on the one side, and ADC and its affiliates on the other side, ADC and its affiliates are the sole and exclusive owners of the Retained Marks in connection with the Retained Business and, subject to the terms of this

Agreement, have the worldwide right to use, register, apply to register, license, enforce and authorize others to use the Retained Marks on or in connection with goods and/or services in the Retained Business.

2.2. Obligations.

(a) ADC and its affiliates shall have no right hereunder to use the Acquired Marks or any trademarks confusingly similar to the Acquired Marks, except as follows:

(i) ADC and its affiliates shall have the right to use the Acquired Marks to the extent necessary to perform its duties under the Purchase Agreement or any of the Ancillary Agreements (as defined in the Purchase Agreement);

(ii) ADC and its affiliates shall have the right to exhaust any existing inventory or works-in-process as of the Effective Date or Ancillary Materials bearing the Acquired Marks until December 31, 2014;

(iii) The ADC Materials Group shall have the right to manufacture and sell products using the Graphics Division Logo depicted on Exhibit C and/or the Acquired Marks and use Ancillary Materials bearing the Graphics Division Logo and/or the Acquired Marks for twelve (12) months after the Effective Date, and will be permitted to sell any products and use any Ancillary Materials bearing such marks remaining in its inventory for up to eighteen (18) months after the Effective Date; and

(iv) Avery Dennison Japan K.K. and ADC Retail Branding and Information Solutions (RBIS) shall have the right to manufacture and sell products using the Acquired Marks and use Ancillary Materials bearing the Acquired Marks for twelve (12) months after

the Effective Date, and will be permitted to sell any products and use any Ancillary Materials bearing such marks remaining in its inventory for up to eighteen (18) months after the Effective Date.

(b) ADC agrees that it shall not use, and shall cause its affiliates to not use, the Retained Marks or any trademarks confusingly similar to the Retained Marks in connection with the making, selling, promoting or distributing of any products or services or for any other purpose in the OCP Field, except to the extent necessary to perform its duties under the Purchase Agreement or any of the Ancillary Agreements (as defined in the Purchase Agreement).

(c) Except as set forth in Section 2.2(a), ADC agrees that it shall (and shall cause its affiliates to) always use the "triangle logo" oriented so that the top of the triangle is pointed directly up (not in a tilted orientation) and in association with the mark AVERY DENNISON, so as to reduce the likelihood of confusion with the Avery Logo. Notwithstanding the

foregoing, ADC and its affiliates will continue to have the right to manufacture and sell products and to use Ancillary Materials, outside of the OCP Field, bearing the ADC Logo as a standalone logo (i.e., not in combination with AVERY DENNISON) for twelve (12) months after the Effective Date, and will be permitted to sell any products and using such Ancillary Materials bearing such standalone logo remaining in its inventory for up to eighteen (18) months after the Effective Date. For clarity, ADC has no obligation to use the ADC Logo and may use a different logo or design (other than the Avery Logo or any logo confusingly similar thereto) or no logo or design in association with the mark AVERY DENNISON.

(d) For the avoidance of doubt, ADC and its affiliates shall retain, and the Retained Marks include, all rights to use "Avery Dennison" as its company name, as a brand name, service mark and trademark, and all marks incorporating "Avery Dennison" and /or related logos (other than, for clarity, the Avery Logo and any names or marks assigned to Buyer under the Purchase Agreement), a sampling of which is set forth on Exhibit B, provided that such use is outside of the OCP Field. ADC agrees that it shall not use, and shall cause its affiliates to not use, the Retained Marks in a manner that is intended to emphasize the AVERY portion over the DENNISON portion of such name and mark or in any manner confusingly similar to the Acquired Marks.

(e) The Parties acknowledge that there are certain trademarks owned by ADC that contain elements of both the Retained Marks and the Acquired Marks. Two examples of these marks are listed in the fourth category on Exhibit B. These marks are being retained by ADC and ADC will discontinue all use globally of such marks, including withdrawal or abandonment of any registration or application for registration.

2.3. Acknowledgement of Rights. To the extent that ADC and its affiliates comply with Sections 2.1 and 2.2, Buyer and its affiliates shall not object to ADC's and its affiliates' use, registration of, application to register, licensing, enforcement or authorization to others to use the Retained Marks in connection with the Retained Business as provided in this Agreement.

3. Licensing and Transfers.

3.1. Licensing by Buyer. Buyer and its affiliates may license or permit sublicensing of any or all of its rights hereunder to another party in the OCP Field, provided that the license terms are at least as restrictive as those set forth in this Agreement as it concerns the use of the Acquired Marks, and that such licensing party takes reasonable actions to cause the licensee to comply with such terms and conditions of this Agreement. Buyer shall be responsible for any breach of this Agreement by any such licensee.

3.2. Permitted Transfers by Buyer. Buyer and its affiliates may assign or otherwise transfer each of the Acquired Marks, provided that any such assignment or transfer shall be made expressly subject to all terms and conditions of this Agreement in a written Trademark Use Agreement signed by all parties to the assignment or transfer and stating that the assignee or transferee shall comply with the terms and conditions of this Agreement. Buyer shall give ADC prompt written notice of any such assignment or transfer of an Acquired Mark and shall furnish ADC with a fully-executed copy of the Trademark Use Agreement. ADC shall be expressly identified in the Trademark Use Agreement as a third party beneficiary of the agreement.

3.3 Licensing by ADC. ADC and its affiliates may license or permit sublicensing of any or all of its rights hereunder to another party outside the OCP Field, provided that the license terms are at least as restrictive as those set forth in this Agreement as it concerns the use of the Retained Marks, and that such licensing party takes reasonable actions to cause the licensee to comply with such terms and conditions of this Agreement. ADC shall be responsible for any breach of this Agreement by any such licensee.

3.4. Permitted Transfers by ADC. ADC and its affiliates may assign or otherwise transfer each of the Retained Marks, provided that any such assignment or transfer shall be made expressly subject to all terms and conditions of this Agreement in a written Trademark Use Agreement signed by all parties to the assignment or transfer and stating that the assignee or transferee shall comply with the terms and conditions of this Agreement. ADC shall give Buyer prompt written notice of any such assignment or transfer of a Retained Mark and shall furnish Buyer with a fully-executed copy of the Trademark Use Agreement. Buyer shall be expressly identified in the Trademark Use Agreement as a third party beneficiary of the agreement.

4. Ownership, Registration and Maintenance of Marks.

4.1. ADC's Ownership of Retained Marks and Goodwill. Buyer acknowledges the sole ownership by ADC and its affiliates of the Retained Marks and all related goodwill. Buyer covenants that it will not, and shall cause its affiliates to not, at any time do or cause to be done any act or thing impairing or tending to impair the right, title or interest of ADC or its affiliates in the Retained Marks. Buyer agrees that it will not, and shall cause its affiliates to not, at any time during the term of this Agreement, challenge (a) the validity of the Retained Marks, (b) ownership of the Retained Marks by ADC or its affiliates, (c) any registration or application for registration of any Retained Marks

existing as of the Effective Date, or (d) any application for registration of any Retained Marks after the Effective Date, provided that application for registration is outside of the OCP Field. Buyer shall not attempt to register, and shall cause its affiliates to not register, the Retained Marks alone or as part of its own trademarks or attempt to register any marks confusingly similar to the Retained Marks (in each case other than the mark AVERY and the Avery Logo, as permitted hereunder). Buyer

agrees that it will not, and shall cause its affiliates to not, at any time during the term of this Agreement, disparage, degrade or do anything else that would likely to be harmful to the Retained Marks.

4.2 Buyer's Ownership of Acquired Marks and Goodwill. ADC acknowledges the sole ownership by Buyer and its affiliates of the Acquired Marks and all related goodwill. ADC covenants that it will not, and shall cause its affiliates to not, at any time do or cause to be done any act or thing impairing or tending to impair the right, title or interest of Buyer or its affiliates in the Acquired Marks. ADC agrees that it will not, and shall cause its affiliates to not, at any time during the term of this Agreement, challenge (a) the validity of the Acquired Marks, (b) ownership of the Acquired Marks by Buyer or its affiliates, (c) any registration or application for registration of any Acquired Marks existing as of the Effective Date, or (d) any application for registration of any Acquired Marks within the OCP Field filed after the Effective Date. ADC shall not attempt to register, and shall cause its affiliates to not register, the Acquired Marks alone or as part of its own trademarks or attempt to register any marks confusingly similar to the Acquired Marks (in each case other than the mark AVERY DENNISON and the ADC Logo, as permitted hereunder). ADC agrees that it will not, and shall cause its affiliates to not, at any time during the term of this Agreement, disparage, degrade or do anything else that would likely to be harmful to the Acquired Marks.

5. Confusion Not Likely. The Parties mutually believe that the continued use and registration of the Acquired Marks and the Retained Marks on and in connection with the goods and/or services relating to their respective businesses in accordance with the terms of this Agreement is not likely to cause confusion, mistake or deception as to the source or sponsorship of their respective goods and services because of, among other reasons, distinctions in those respective goods and services. The Parties agree to continue to take reasonable action, and to cause their affiliates to take reasonable action, to reduce the likelihood of confusion due to the co-existence and registration of their respective marks hereunder, to notify one another of any actual confusion that is brought to their attention in connection with their respective names and marks hereunder, and to mutually cooperate, as is reasonable under the circumstances, to rectify any actual or potential confusion resulting therefrom.

6. Further Assurances.

6.1 General Assistance. At any time and from time to time, promptly upon reasonable request and at the expense of the requesting Party, each Party shall, and shall cause its affiliates to:

(a) sign and deliver to the requesting Party any and all further instruments and consents, and shall take further reasonable action, at the requesting Party's cost for reasonable out-of-pocket expenses, in order to give the requesting Party the full benefit of this Agreement; and

(b) cooperate with and assist the other Party to enforce their respective marks, including in connection with seizure or other actions against counterfeit goods being sold under either Party's marks.

6.2 Registration Assistance. Without limitation to Section 6.1, at the request of a Party, at the requesting Party's cost for reasonable out-of-pocket expenses, the other Party will (i) execute coexistence agreements or consents consistent with this Agreement and in a form suitable for filing in a local trademark office to permit registration, recordation or assignment of such Party's Marks as permitted hereunder, (ii) amend its applications or registrations for the Acquired Marks to exclude products or services outside of the OCP Field or for the Retained Marks to exclude products or services in the OCP Field, and (iii) otherwise cooperate to determine and implement the best manner to effect such registration, recordation or assignment so as to provide each Party and its affiliates the full ownership and use of the Retained Marks (with respect to ADC and its affiliates) and the Acquired Marks (with respect to Buyer and its affiliates) as provided hereunder.

6.3 Licenses. In the event and to the extent that, notwithstanding the foregoing in this Section 6, a Party or its affiliate is not permitted to register, record, or assign a Retained Mark (in the case of ADC) or an Acquired Mark (in the case of Buyer) in a particular jurisdiction, upon the request of such Party the other Party hereby grants to such Party a royalty-free, fully paid-up, sublicenseable license to use the Retained Mark or Acquired Mark, as applicable, in such jurisdiction in a manner consistent with this Agreement until such time as such assignment and recordal occurs. At the requesting Party's request and expense, the other Party shall use reasonable efforts to file, prosecute, and maintain applications or registrations for such licensed Mark(s) in such jurisdiction(s) until such assignment and recordal occurs. If requested by either Party, the Parties shall cooperate to execute a separate short-form license agreement documenting the foregoing license and containing any other provisions to the extent required under applicable law.

7. Limitation of Liability. NEITHER PARTY NOR ITS AFFILIATES SHALL UNDER ANY CIRCUMSTANCES, EVEN IF NOTIFIED OF THE POSSIBILITY THEREOF, BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES HEREUNDER FOR ANY INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LIABILITY FOR ANY LOST SALES, PROFITS OR BUSINESS OPPORTUNITIES ARISING SOLELY FROM BREACH OF THIS AGREEMENT.

8. Term; Termination.

8.1 Term. Subject to Section 8.2, the term of this Agreement (the "Term") shall be perpetual.

8.2 Termination. This Agreement may be terminated only by mutual written agreement of the Parties at any time. For clarity, this Agreement may not be terminated by any Party for breach of this Agreement by any other Party, it being understood and agreed that the non-breaching Party may seek injunctive relief,

specific performance, and/or damages (subject to Section 7) against the breaching Party or its affiliates or licensees. If any Party and its affiliates and licensees abandon all use of all of its respective Marks (by discontinuing all use for a period of three consecutive years worldwide), the other Party and its affiliates shall be released from all obligations under this Agreement.

9. Miscellaneous.

9.1. Waiver. Except where a specific period for action or inaction is provided herein, neither the failure nor any delay on the part of any Party hereto in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any Party hereto of any such right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The failure of a Party hereto to exercise any right conferred herein within the time required shall cause such right to terminate with respect to the transaction or circumstances giving rise to such right, but not to any such right arising as a result of any other transactions or circumstances.

9.2. Assignment. Subject to Sections 3.2 and 3.4, this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective permitted successors and assigns.

9.3. Entire Agreement. This Agreement, including the Exhibits hereto, the Purchase Agreement and the Confidentiality Agreement (as defined in the Purchase Agreement) constitute the entire agreement among the Parties and supersede all other prior covenants, agreements, undertakings, obligations, promises, arrangements, communications, representations and warranties, whether oral or written, by any Party or by any director, officer, employee, agent, affiliate or representative of any Party.

9.4. Counterparts. This Agreement and any amendments hereto may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

9.5. Notices. All notices, requests, demands, claims and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy; the day after it is sent, if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); and five (5) business days after the date mailed by certified or registered mail, postage prepaid, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to:

If to ADC, to:

Avery Dennison Corporation
150 North Orange Grove Boulevard

Pasadena, CA 91103
Attention: General Counsel
Telephone: (626) 304-2000
Fax: (626) 304-2108

with a copy to (which shall not constitute notice):

Latham & Watkins LLP
355 South Grand Avenue
Los Angeles, CA 90071
Attn: Scott Hodgkins and Jeffrey L. Kateman
Telephone: (213) 891-8739 and (213) 891-8705
Fax: (213) 891-8763

If to Buyer, to:

CCL Industries Inc.
c/o CCL Label, Inc.
105 Gordon Baker Road
Willowdale, Ontario M2H3P8
Attention: President
Telephone: (508) 872-4511 ext. 404
Fax: (508) 872-7671

with a copy to (which shall not constitute notice):

CCL Industries Inc.
105 Gordon Baker Road
Willowdale, Ontario M2H3P8
Attention: General Counsel
Telephone: (416) 756-8546
Fax: (416) 756-8548

9.6. Governing Law. This Agreement (and any claim or controversy arising out of or relating to this Agreement) shall be governed by the laws of the State of Delaware without regard to conflict of law principles that would result in the application of any law other than the laws of the State of Delaware.

9.7. Consent to Jurisdiction. Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Chancery Court of the State of Delaware and any state appellate court therefrom within the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware) (the "Applicable Delaware Court"), in any action or proceeding arising out of or relating to this Agreement or for recognition or enforcement of any judgment relating thereto, and each Party hereby irrevocably and unconditionally (i) agrees not to commence any such action or proceeding

except in such Applicable Delaware courts; (ii) agrees that any claim in respect of any such action or proceeding may be heard and determined in such Applicable Delaware Court or any state appellate court therefrom; (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any such Applicable Delaware Court; and (iv) waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such Applicable Delaware Court. Each Party agrees that (a) this Agreement involves at least $100,000.00 and (b) this Agreement has been entered into by the parties hereto in express reliance upon 6 Del. C. § 2708. Each Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each Party irrevocably consents to service of process in the manner provided for notices in Section 9.5. Nothing in this Agreement will affect the right of any Party to serve process in any other manner permitted by law.

9.8. Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE EITHER OF SUCH WAIVERS, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS, (C) IT MAKES SUCH WAIVERS VOLUNTARILY, AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.8.

9.9. Remedies Not Limited. Nothing contained herein shall prevent or limit either Party's right or power to seek and/or obtain money damages (subject to Section 7), specific performance or temporary, preliminary and permanent injunctive relief with respect to any breach of this Agreement by the other Party.

9.10. Specific Performance. Each of the Parties acknowledges and agrees that the other Parties would be irreparably damaged in the event that any of the terms or provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Therefore, notwithstanding anything to the contrary set forth in this Agreement, each of the Parties hereby agrees that the

other Parties shall be entitled to an injunction or injunctions to prevent breaches of any of the terms or provisions of this Agreement, and to enforce specifically the performance by such first Party, and each Party hereby agrees to waive the defense in any such suit that the other parties to this Agreement have an adequate remedy at law, and hereby agrees to waive any requirement to post any bond in connection with obtaining such relief. The equitable remedies described in this Section 9.10 shall be in addition to, and not in lieu of, any other remedies at law or in equity that the parties hereto may elect to pursue.

9.11. Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

9.12 Interpretation. When a reference is made in this Agreement to an Article or Section, such reference shall be to an Article or Section of this Agreement unless otherwise indicated. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The term "or" is not exclusive. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such terms. Unless otherwise specified, any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes, and including all attachments thereto and instruments incorporated therein. References to a person are also to its permitted successors and assigns. An "affiliate" of a Party means any person or entity which controls, is controlled by, or is under common control with, such Party, where "control" means ownership of fifty percent (50%) or more of the outstanding voting securities or other interests having voting rights with respect to the election of the board of directors or similar governing authority (but only as long as such person or entity meets these requirements).

9.13 No Presumption Against Drafting Party. Each of the Parties hereto acknowledges that each Party to this Agreement has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would require

interpretation of any claimed ambiguities in this Agreement against the drafting Party has no application and is expressly waived.

9.14 Independent Parties. Nothing contained in this Agreement shall be deemed to constitute a single employer, joint employer, co-employer, alter-ego, agency, partnership, joint venture or similar relationship between ADC or any of ADC's affiliates, on the one hand, and Buyer or any of Buyer's affiliates, on the other hand. Each Party is acting pursuant to this Agreement solely as an independent contractor.

IN WITNESS WHEREOF, this Agreement has been signed on behalf of each of the Parties hereto as of the date first written above.

AVERY DENNISON CORPORATION

By: _____

Name: _____

Title: _____

CCL LABEL, INC.

By: _____

Name: _____

Title: _____

Exhibit I

FORM OF CROSS-LICENSE AGREEMENT

THIS CROSS-LICENSE AGREEMENT (this "***Agreement***"), effective as of , 2013, ("***Effective Date***") is by and between Avery Dennison Corporation, a Delaware corporation ("***ADC***"), and CCL Industries Inc., a corporation organized under the laws of Canada ("***Buyer***"). ADC and Buyer sometimes are referred to in this Agreement collectively as the "***Parties***" and individually as a "***Party***."

RECITALS

A. ADC and Buyer, among others, are parties to a Purchase Agreement, dated as of January 29, 2013 (as may be amended from time to time, the "***Purchase Agreement***"), whereby Buyer and its Affiliates will purchase the Businesses (as defined below) from ADC.

B. Through the Purchase Agreement, Buyer and its Affiliates will acquire from ADC and its Affiliates (as defined below) certain patents and know how used in the Businesses that may be useful to ADC and its Affiliates in its retained businesses.

C. ADC and its Affiliates will retain certain patents and know how that are used for the continued operation of its retained businesses.

D. Buyer and ADC desire to cross license the patents and know how described in this Agreement for the purposes and on the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants, agreements and provisions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Definitions

Capitalized terms that are not defined where first used in this Agreement shall have the following meanings for the purposes of this Agreement or, if not defined in this Agreement, shall be as defined in the Purchase Agreement:

1.1 ***"ADC Field"*** means any use other than in connection with the Businesses.

1.2 ***"Affiliate"*** of a Person means (a) any other Person that controls, is controlled by, or is under common control with, the first mentioned Person or (b) any other Person in which the first mentioned Person directly or indirectly has at least a fifty percent (50%) ownership or voting rights interest (whether through stock ownership, stock power, voting proxy, or otherwise), or has the maximum ownership interest it is permitted to have in the country where such other Person exists. For purposes of this definition, "control," when used with respect to any specified Person, means the power, directly or indirectly, to direct or cause the direction of the management and policies of such Person whether through ownership of voting securities or by contract or otherwise.

1.3 ***"Agreement"*** means this Cross-License Agreement as it may be amended from time to time in accordance with its terms.

1.4 ***"Businesses"*** shall be defined as in the Purchase Agreement.

1.5 ***"Business Day"*** means any day other than a Saturday, Sunday or day on which banks are permitted to close in New York City, New York.

1.6 ***"Claim"*** means any claim, demand, cause of action, chose in action, right of recovery or off-set, suit, litigation, proceeding, arbitration, hearing or investigation against any Person.

1.7 "***Confidential Information***" shall have the meaning set forth in Section 4.1.

1.8 ***"DES Business"*** shall be defined as in the Purchase Agreement.

1.9 ***"DES Field"*** means the field of use of the DES Business.

1.10 ***"Governmental Entity"*** means any foreign, federal, state, provincial, or local governmental authority.

1.11 "***Know How***" means know how, trade secrets and other related Confidential Information.

1.12 ***"Law"*** means any federal, state, provincial, local, municipal, foreign, international, multinational or other law, ordinance, statute or treaty.

1.13 ***"Liability"*** means, with respect to any Person, any direct or indirect liability, indebtedness, obligation, commitment, expense, claim, deficiency or guaranty of or by any Person of any type, whether known, unknown, accrued, absolute, contingent, matured or unmatured.

1.14 ***"Licensed Patents"*** means the patents and patent applications within the Transferred Patents and the Retained Patents.

1.15 ***"OCP Business"*** shall be defined as in the Purchase Agreement.

1.16 ***"OCP Field"*** means the field of use of the OCP Business.

1.17 ***"Person"*** means any individual, corporation (including any non-profit corporation), general or limited partnership, limited liability company, joint venture, estate, trust, association, organization, labor union or other entity or Governmental Entity.

1.18 ***"Proceeding"*** means any action, arbitration, audit, hearing, investigation, litigation or suit (whether civil, criminal or administrative) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Entity or arbitrator.

1.19 ***"Retained OCP Patents"*** means the Retained Patents listed on Schedule A-1 of Exhibit A.

1.20 ***"Retained Photovoltaic Patents"*** means the Retained Patents listed on Schedule A-2 of Exhibit A.

1.21 ***"Retained Patents"*** means the patents and patent applications owned by ADC or its Affiliates set forth on Exhibit A to this Agreement together with (a) the patents that issue from any such applications, (b) any U.S. or foreign patents and applications for patents (and the patents that issue from such applications) that are owned by ADC or its Affiliates and that claim priority from any of the foregoing patents or patent applications, (c) any divisionals, continuations, continuations-in-part, reissues, renewals, extensions, reexaminations, substitutions, patents of addition and certificates of correction of each of the foregoing, and (d) Know How related to the patents and patent applications owned by ADC or its Affiliates set forth on Exhibit A.

1.22 ***"Subsidiary"*** means, with respect to any Person of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof or (ii) if a limited liability company, partnership, association or other business entity (other than a corporation), a majority of partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof and for this purpose, a Person or Persons owns a majority ownership interest in such a business entity (other than a corporation) if such Person or Persons shall be allocated a majority of such business entity's gains or losses or shall be or control any managing director or general partner of such business entity (other than a corporation).

1.23 ***"Transferred ADC Patents"*** means the Transferred Patents listed on Schedule B-1 of Exhibit B.

1.24 ***"Transferred Patents"*** means the patents and patent applications owned by Buyer set forth on Exhibit B to this Agreement together with (a) the patents that issue from any such applications, (b) any U.S. or foreign patents and applications for patents (and the patents that issue from such applications) that are owned by Buyer or its Affiliates and that claim priority from any of the foregoing patents or patent applications, (c) any divisionals,

continuations, continuations-in-part, reissues, renewals, extensions, reexaminations, substitutions, patents of addition and certificates of correction of each of the foregoing, and (d) the Know How related to the patents and patent applications transferred by ADC or its Affiliates to Buyer set forth on Exhibit B.

1.25 ***"Transferred Shrink Film Patents"*** means the Transferred Patents listed on Schedule B-2 of Exhibit B.

2. Grant of Rights

2.1 License Grant to Buyer. During the term of this Agreement and subject to the terms and conditions contained herein, ADC, for itself and on behalf of its Affiliates, grants to Buyer:

(a) a royalty-free, world-wide, perpetual, exclusive license to the Retained OCP Patents to make, have made, use, sell, offer for sale, import or otherwise transfer products and services in the OCP Field; and

(b) a royalty-free, world-wide, perpetual, non-exclusive license to the Retained Photovoltaic Patents to make, have made, use, sell, offer for sale, import or otherwise transfer products and services in the DES Field, to the extent related to battery applications.

2.2 License Grant to ADC. Subject to Section 9.4 of the Purchase Agreement (Non-Competition), during the term of this Agreement and subject to the terms and conditions contained herein, Buyer, for itself and on behalf of its Affiliates, grants to ADC:

(a) a royalty-free, world-wide, perpetual, non-exclusive license to the Transferred Patents to the extent necessary to perform its duties under the Purchase Agreement or the Ancillary Agreements;

(b) a royalty-free, world-wide, perpetual, exclusive license to the Transferred ADC Patents to make, have made, use, sell, offer for sale and import products and services in the ADC Field; and

(c) a royalty-free, world-wide, perpetual, exclusive license to the Transferred Shrink Film Patents to make, have made, use, sell, offer for sale and import products and services in any field of use other than in connection with battery labels (which is retained by Buyer); and a royalty-free, world-wide, perpetual, non-exclusive license to the Transferred Shrink Film Patents to make, have made, use, sell, offer for sale and import products and services in the field of use for battery applications for sale, directly or indirectly, to Energizer Holdings Inc. or its affiliates.

2.3 Improvements and Additional Know How. The licenses granted hereunder do not include any improvements made with respect to the Licensed Patents or any Know How by the granting Party or its Affiliates. The Know How subject to the grants is the Know How that exists as of the Effective Date.

2.4 Sublicense Rights. Either Party may sublicense its rights under Section 2.1 or 2.2 (i) to its Affiliates, or (ii) in connection with the operation of its or its Affiliates' business (but not for the independent use of any third party). Buyer or its Affiliates shall also have the right to sublicense its rights hereunder to a third party to the extent necessary to satisfy the conditions of Section 5.3(c) of the Purchase Agreement. All sublicenses granted by either Party under this Agreement (other than to its Affiliates) shall be in writing, which writing shall be consistent with and no less restrictive than the terms and conditions of this Agreement. No other sublicensing shall be permitted by either Party or by its Affiliates absent the prior written consent of the other Party. Each Party shall be responsible for any breach of this Agreement by any sublicensee.

3. Patent Matters

3.1 Prosecution and Maintenance of Patents. Buyer and its Affiliates shall, at their own expense, solely control and be solely responsible for the filing, prosecution and maintenance of the patents and patent applications within the Transferred Patents owned by Buyer or its

Affiliates. ADC and its Affiliates shall, at their own expense, solely control and be solely responsible for the filing, prosecution and maintenance of the patents and patent applications within the Retained Patents owned by ADC or its Affiliates. The Parties acknowledge and agree that each Party and its Affiliates have no obligation whatsoever to file, prosecute, or maintain any Licensed Patents owned by them. Should a Party or its applicable Affiliate elect not to continue to maintain any Licensed Patent owned by it, (i) the Party or its applicable Affiliate that owns such Licensed Patent shall provide the other Party with written notice as soon as reasonably possible after making such election but in any event no later than thirty (30) calendar days before the other Party would be faced with a possible loss of rights, (ii) such Party shall give the other Party the right, at the other Party's discretion and sole expense, to maintain such patents and/or patent applications, which offer must be accepted by the offeree within thirty (30) days after such notice or such offer shall be deemed rejected, and (iii) such Party shall offer reasonable assistance in connection with such maintenance at the expense of the Party assuming the maintenance of such patents or patent applications. Each Party or its applicable Affiliate that owns any Licensed Patents shall provide to the other Party copies of draft filings and modifications related to patents and patent applications within such Licensed Patents. Such copies shall be provided in advance of the anticipated filing or submission thereof, permitting such other Party reasonably sufficient time (but not less than thirty (30) days) to review and comment on such documents as it relates to the Licensed Patents and rights granted hereunder. The Parties shall discuss in good faith and mutually cooperate to address comments raised by either Party in connection with such documents prior to the filing or submission thereof. In addition, in the event that any patent or patent application (as applicable) within a Licensed Patent includes subject matter that is disclosed, but unclaimed, then the Party that is maintaining such patents and/or patent applications, shall at the reasonable request of the other Party include such subject matter in the claims under such patent and/or patent application, and the requesting party shall be responsible for all incremental costs and expenses to the extent resulting from such additional claims or modification.

3.2 Enforcement. If either Party becomes aware that a third party may be infringing any of the Licensed Patents or any of the Know How associated with such Licensed Patents, it will promptly notify the other Party in writing, providing all information available regarding the potential infringement or misappropriation (an ***"Infringement Notice"***). ADC and its Affiliates shall have the first right, but not the obligation, in their sole discretion, to take whatever action it deems appropriate, in its sole discretion, against an alleged infringer with respect to any of the Retained Patents. Buyer and its

Affiliates shall have the first right, but not the obligation, in their sole discretion, to take whatever action it deems appropriate, in its sole discretion, against an alleged infringer with respect to any of the Transferred Patents. If ADC and its Affiliates do not elect to take action against an alleged infringer with respect to any of the Retained Patents, ADC or its Affiliate shall promptly notify Buyer in writing, and, if such infringement is materially affecting the Businesses, Buyer shall have the right to bring a suit or other action or enter into settlement discussions regarding such action at Buyer's sole cost and expense. If Buyer and its Affiliates do not elect to take action against an alleged infringer with respect to any of the Transferred Patents, Buyer or its Affiliate shall promptly notify ADC in writing, and, if such infringement is materially affecting any business in the ADC Field, ADC shall have the right to bring a suit or other action or enter into settlement discussions regarding such action at ADC's sole cost and expense. The Party that elects to bring a suit, other action or enters into settlement discussions in accordance with this Section 3.2 shall solely control such suit, other action or

settlement discussions (as applicable), and shall solely receive and retain all damages, costs, attorney fees, and other recoveries resulting therefrom or related thereto.

3.3 Cooperation. In any Proceeding in which Buyer or its Affiliates is seeking to enforce their rights under the Transferred Patents, ADC and its Affiliates will provide Buyer and its Affiliates with reasonable cooperation, and, upon the request and at the expense of Buyer, ADC and its Affiliates will make available to Buyer and its Affiliates, at reasonable times and under appropriate conditions, all relevant personnel, records, papers, information, and the like in their possession. In any Proceeding in which ADC or its Affiliates is seeking to enforce their rights under the Retained Patents, Buyer and its Affiliates will provide ADC and its Affiliates with reasonable cooperation, and, upon the request and at the expense of ADC, Buyer and its Affiliates will make available to ADC and its Affiliates, at reasonable times and under appropriate conditions, all relevant personnel, records, papers, information, and the like in their possession. Notwithstanding any other provision of this Article 3, neither Party will make any settlements of any Proceeding that would affect any rights of the other Party without first obtaining such other Party's prior written consent. For the purpose of furthering the Parties' common interest in this Agreement, and to provide that the sharing of relevant information shall not waive or diminish the confidentiality of such information or its continued protection under all applicable privileges and protections, the Parties shall at the request of either Party enter into an appropriate written community of interest agreement.

4. Confidentiality

4.1 Confidential Information. For purposes of this Agreement, ***"Confidential Information"*** means any know how or trade secrets and all other scientific, manufacturing, marketing, financial and commercial information or data, or other proprietary or confidential information, of a Party or its Affiliates, or held by a Party or its Affiliates under an obligation of confidentiality to a third party, which may be disclosed from one Party or its Affiliates to the other Party or its Affiliates pursuant to the Confidentiality Agreement (as defined in the Purchase Agreement) or from time to time during the Term of this Agreement, whether disclosed orally, visually, in writing or in any tangible or electronic form or media. Confidential Information may be, but is not required to be, marked "Confidential". "Confidential Information" shall include, without limitation, the terms of this Agreement as well as any proprietary or confidential information that is jointly owned by the Parties. Information shall not be considered Confidential Information to the extent such information:

(a) is publicly disclosed through no fault of the receiving Party or its Affiliates hereto, either before or after it becomes known to the receiving Party or its Affiliates;

(b) was known to the receiving Party or its Affiliates prior to disclosure under this Agreement and/or the Purchase Agreement, which knowledge was acquired independently and not from the disclosing Party or its Affiliates hereto, as evidenced by the written records of the receiving Party or its Affiliates (other than confidential information disclosed or transferred to Buyer by ADC pertaining to the Businesses, which shall remain Confidential Information under this Agreement);

(c) is subsequently disclosed to the receiving Party in good faith by a third party who has a right to make such disclosure; or

(d) is developed independently of and without reference to the disclosing Party's or its Affiliates' confidential information after disclosure under this Agreement, as evidenced by the receiving Party's or its Affiliates' written records.

Any combination of disclosures shall not be deemed to fall within the foregoing exclusions merely because individual elements or features of the Confidential Information are published or available to the general public or in the rightful possession of the receiving Party unless the combination itself and principle of operation are published or available to the general public or in the rightful possession of the receiving Party.

4.2 Non-Disclosure Obligations and Permitted Disclosure Agreement. All Confidential Information disclosed by one Party to the other Party hereunder shall be maintained in confidence by the receiving Party and shall not be published or disclosed to any third party, or used for any purpose except as intended by this Agreement, without the prior written consent of the disclosing Party, except to the extent that such Confidential Information:

(a) is disclosed to gain or maintain any regulatory approvals, but such disclosure may be only to the extent reasonably necessary for such purposes, and the Party making such disclosure shall take all steps reasonably necessary, including seeking an order of confidentiality, to ensure the continued confidential treatment of such Confidential Information, whenever possible;

(b) is deemed necessary by the receiving Party to be disclosed to Affiliates, sublicensees, subcontractors, consultants, and/or other third parties acting on behalf of such Party for a purpose intended by this Agreement, provided that such activities by either Party shall be in accordance with this Agreement and on the condition that such third parties agree in writing to be bound by the confidentiality and non-use obligations no less stringent than those contained in this Agreement;

(c) is deemed necessary by the receiving Party to be disclosed to such Party's attorneys, independent accountants and financial advisers for the sole purpose of enabling such attorneys or independent accountants to provide professional advice to the receiving Party on the condition that such third parties are bound by confidentiality and non-use obligations customary for the type of professional and are advised that the information being disclosed is confidential; or

(d) is limited to the terms and conditions of this Agreement and is deemed necessary by a Party to be disclosed to accredited investors or potential acquirers or merger candidates in the context of due diligence investigations of such Party solely for the purpose of evaluating a potential business relationship, on the condition that such third parties agree in writing to be bound by the confidentiality and non-use obligations contained in this Agreement.

4.3 Compelled Disclosure. If a Party is required by judicial or administrative process to disclose Confidential Information of the other Party, such Party shall promptly inform the

other Party of the disclosure that is being sought in order to provide the other Party an opportunity to challenge or limit the disclosure obligations. Confidential Information that is disclosed by judicial or administrative process shall remain otherwise subject to the confidentiality and non-use provisions of this Section 4.3, and the Party disclosing Confidential Information pursuant to Law or court order shall take all steps reasonably necessary, including seeking an order of confidentiality, to ensure the continued confidential treatment of such Confidential Information. Each Party agrees that it shall cooperate fully and in a timely manner with the other with respect to all disclosures to the any Governmental Authorities, including requests for confidential treatment of Confidential Information of either Party included in any such disclosure.

5. Representations, Warranties and Additional Covenants

5.1 Both Parties. Each Party represents, warrants and covenants to the other Party that: (a) it has the full right and power to grant the licenses granted under this Agreement and perform or fulfill all obligations under this Agreement; (b) neither it, nor any of its Affiliates, has entered or will enter into any other agreement or understanding in conflict with the provisions contained in this Agreement; and (c) the individual signing below on its behalf has full authority to execute this Agreement for and on behalf of such Party and that, when signed, this Agreement will be binding and enforceable according to its terms.

5.2 ADC. ADC represents, warrants and covenants to Buyer that, to its knowledge, (a) use of the Retained Patents within the scope of the licenses granted herein do not and will not infringe the rights of any third party and (b) the Licensed Patents within the Retained Patents are valid and enforceable.

5.3 Disclaimer. OTHER THAN AS EXPRESSLY SET FORTH IN THE PURCHASE AGREEMENT OR IN THIS ARTICLE 5, NEITHER PARTY MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AND EACH PARTY EXPRESSLY DISCLAIMS ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF VALIDITY, ENFORCEABILITY, SCOPE, PRIORITY, NON-INFRINGEMENT OR DOMINANCE OF THE LICENSED PATENTS OR ANY RELATED KNOW HOW.

6. Term and Termination

6.1 Term. The term of this Agreement shall be from the Effective Date and shall continue in full force and effect until the last of the Licensed Patents to expire.

6.2 Termination. Neither Party shall have any right to terminate this Agreement except by mutual written agreement between the Parties. The Parties' sole remedies in the event of any breach of this Agreement shall be limited to damages and injunctive relief including an order of specific performance.

6.3 Effect of Termination. The obligations of confidentiality under Article 4 shall continue in full force and effect for three (3) years after the termination or expiration of this Agreement. The rights with respect to Know How granted hereunder shall survive the termination or expiration of this Agreement.

7. Miscellaneous

7.1 Bankruptcy. The licenses granted under this Agreement are deemed to be, for the purposes of Section 365(n) of the US Bankruptcy Code (11 U.S.C. 365(n)), as amended, licenses of rights to "intellectual property" as defined in Section 101 of such Code. If either Party or its Affiliates, as a debtor in possession or a trustee-in-bankruptcy in a case under the US Bankruptcy Code, rejects this Agreement, the other Party and its Affiliates may elect to retain its rights under this Agreement as provided in Section 365(n) of the Bankruptcy Code. The Parties and their Affiliates irrevocably waive all arguments and defenses arising under Section 365(c)(1) or successor provisions to the effect that applicable Law excuses a Party, other than the debtor, from accepting performance from or rendering performance to an entity other than the debtor or debtor in possession as a basis for opposing assumption of the Agreements by the other Party in a case under Chapter 11 of the Bankruptcy Code to the extent that such consent is required under Section 365(c)(1) or any successor statute.

7.2 Independent Parties. Nothing contained in this Agreement shall be deemed to constitute a single employer, joint employer, co-employer, alter-ego, agency, partnership, joint venture or similar relationship between ADC or any of ADC's Affiliates, on the one hand, and Buyer or any of Buyer's Affiliates, on the other hand. Each Party is acting pursuant to this Agreement solely as an independent contractor.

7.3 Assignment. This Agreement may be assigned by either Party to an Affiliate or Subsidiary or its successor or assign that acquires all or substantially all of such Party or the business to which this Agreement relates, whether by sale of stock, sale of assets, acquisition, merger, reverse merger or any other bona fide transfer. The prior written consent of the other Party shall be required for any other assignment of this Agreement by a Party to be effective, which consent may be granted or withheld at such Party's absolute discretion. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective permitted successors and assigns.

7.4 Expenses. Except as otherwise expressly provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such expenses.

7.5 Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

7.6 Entire Agreement. This Agreement, including the Exhibits hereto, the Purchase Agreement and the Confidentiality Agreement (as defined in the Purchase Agreement) constitute the entire agreement among the Parties and supersede all other prior covenants, agreements, undertakings, obligations, promises, arrangements, communications, representations and warranties, whether oral or written, by any Party or by any director, officer, employee, agent, Affiliate or Representative of any Party.

7.7 Amendment or Modification. This Agreement may not be amended, supplemented or modified except in an instrument in writing signed on behalf of each of the Parties hereto. No waiver of this Agreement shall be binding unless executed in writing by the Party to be bound thereby.

7.8 No Third-Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the Parties and their respective successors and permitted assigns any rights, remedies or liabilities under or by reason of this Agreement.

7.9 Waiver. Except where a specific period for action or inaction is provided herein, neither the failure nor any delay on the part of any Party hereto in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any waiver on the part of any Party hereto of any such right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. The failure of a Party hereto to exercise any right conferred herein within the time required shall cause such right to terminate with respect to the transaction or circumstances giving rise to such right, but not to any such right arising as a result of any other transactions or circumstances.

7.10 Governing Law. This Agreement (and any claim or controversy arising out of or relating to this Agreement) shall be governed by the Laws of the State of Delaware without regard to conflict of law principles that would result in the application of any Law other than the Laws of the State of Delaware.

7.11 Consent to Jurisdiction. Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Chancery Court of the State of Delaware and any state appellate court therefrom within the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over a particular matter, any state or federal court within the State of Delaware) (the "Applicable Delaware Court"), in any action or proceeding arising out of or relating to this Agreement or for recognition or enforcement of any judgment relating thereto, and each Party hereby irrevocably and unconditionally (i) agrees not to commence any such action or proceeding except in an Applicable Delaware Court; (ii) agrees that any claim in respect of any such action or proceeding may be heard and determined in an Applicable Delaware Court; (iii) waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding in any Applicable Delaware Court; and (iv) waives, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any Applicable Delaware Court. Each Party agrees that (a) this Agreement involves at least $100,000.00 and (b) this Agreement has been entered into by the Parties hereto in express reliance upon 6 Del. C. § 2708. Each Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Each Party irrevocably consents to service of process in the manner provided for notices in Section 7.16. Nothing in this Agreement will affect the right of any Party to serve process in any other manner permitted by Law.

7.12 Waiver of Trial by Jury. EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE

UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE EITHER OF SUCH WAIVERS, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVERS, (C) IT MAKES SUCH WAIVERS VOLUNTARILY, AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7.12.

7.13 Remedies. Nothing contained herein shall prevent or limit either Party's right or power to seek and/or obtain money damages, specific performance or temporary, preliminary and permanent injunctive relief with respect to any breach of this Agreement by the other Party pursuant to the procedures set forth in Section 7.11 above except that the Parties agree to waive any right to receive punitive, consequential, special or indirect damages relating in any way to this Agreement.

7.14 Specific Performance. Each of the Parties acknowledges and agrees that the other Party would be irreparably damaged in the event that any of the terms or provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Therefore, notwithstanding anything to the contrary set forth in this Agreement, each of the Parties hereby agrees that the other Party shall be entitled to an injunction or injunctions to prevent breaches of any of the terms or provisions of this Agreement, and to enforce specifically the performance by such first Party, and each Party hereby agrees to waive the defense in any such suit that the other Party to this Agreement have an adequate remedy at law and to interpose no opposition, legal or

otherwise, as to the propriety of injunction or specific performance as a remedy, and hereby agrees to waive any requirement to post any bond in connection with obtaining such relief. The equitable remedies described in this Section 7.14 shall be in addition to, and not in lieu of, any other remedies at law or in equity that the Parties hereto may elect to pursue.

7.15 Titles and References. The titles, captions or headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement. All references to dollars in this Agreement shall be deemed to refer to such amounts in United States Dollars and all references to days or months shall be deemed references to calendar days or months. Unless the context otherwise requires, any reference to a "Section," "Exhibit," or "Schedule" shall be deemed to refer to a section of this Agreement, exhibit to this Agreement or a schedule to this Agreement, as applicable. Any reference to any federal, state, provincial, county, local or foreign statute or Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. For all purposes of and under this Agreement, (i) the word "including" shall be deemed to be immediately followed by the words "without limitation"; (ii)

words (including defined terms) in the singular shall be deemed to include the plural and vice versa; (iii) words of one gender shall be deemed to include the other gender as the context requires; (iv) "or" is not exclusive; and (v) the terms "hereof," "herein," "hereto," "herewith" and any other words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including the exhibits hereto) and not to any particular term or provision of this Agreement, unless otherwise specified.

7.16 Notices. All notices, requests, demands, Claims and other communications which are required or may be given under this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; when transmitted if transmitted by telecopy; the day after it is sent, if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); and five (5) Business Days after the date mailed by certified or registered mail, postage prepaid, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to:

If to any ADC, addressed to:

Avery Dennison Corporation
150 N. Orange Grove Blvd.
Pasadena, CA 91103
Attn: General Counsel
Telephone: (626) 304-2000
Fax: (626) 304-2108

with a copy to (which shall not constitute notice):

Latham & Watkins LLP
355 South Grand Avenue
Los Angeles, CA 90071
Attn: Scott Hodgkins and Jeffrey L. Kateman
Telephone: (213) 891-8739 and (213) 891-8705
Fax: (213) 891-8763

If to Buyer, addressed to:

CCL Industries Inc.
c/o CCL Label, Inc.
161 Worcester Road, Suite 502
Framingham, Massachusetts 01701
Attn: President
Telephone: (508) 872-4511 ext. 404
Fax: (508) 872-7671

with a copy to (which shall not constitute notice):

CCL Industries Inc.
105 Gordon Baker Road
Willowdale, Ontario M2H3P8

Canada
Attn: General Counsel
Telephone: (416) 756-8546
Fax: (416) 756-8548

or to such other place and with such other copies as either Party may designate as to itself by written notice to the others.

7.17 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile, *.pdf* or email), each of which when executed shall be deemed an original and all of which together shall constitute one and the same instrument.

7.18 No Presumption Against Drafting Party. Each of the Parties hereto acknowledges that each Party to this Agreement has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of Law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting Party has no application and is expressly waived.

Signatures follow on next page.

IN WITNESS WHEREOF, the Parties have executed this Agreement through their duly authorized representatives as of the Effective Date set forth above:

AVERY DENNISON CORPORATION

By: _____

Name: _____

Title: _____

CCL INDUSTRIES INC.

By: _____

Name: _____

Title: _____

Exhibit 99.1

Press Release

Miller Corporate Center

For Immediate Release

AVERY DENNISON ANNOUNCES DEFINITIVE AGREEMENT TO SELL TWO BUSINESSES TO CCL INDUSTRIES FOR $500 MILLION

PASADENA, Calif., January 30, 2013 — Avery Dennison Corporation (NYSE:AVY) today announced that it has signed a definitive agreement to sell its Office and Consumer Products (OCP) and Designed and Engineered Solutions (DES) businesses to CCL Industries Inc. (TSX:CCL.A)(TSX:CCL.B), a global leader in specialty packaging solutions, for $500 million in cash. The transaction is subject to customary closing conditions, adjustments and regulatory approvals, and is expected to be completed in mid-2013.

"This sale is consistent with our goal of maximizing the value of our businesses for Avery Dennison's shareholders, and focusing on our industry-leading Pressure-sensitive Materials and Retail Branding and Information Solutions businesses," said Dean A. Scarborough, Avery Dennison chairman, president and chief executive officer. "CCL is one of our largest customers, and we have a long-standing relationship with them. We are pleased that they will become the steward of the Avery™ brand for office products and augment their specialty converting portfolio through this transaction."

Avery Dennison intends to use the expected net sale proceeds of approximately $400 million to repurchase shares and make an additional pension contribution.

Avery Dennison's Office and Consumer Products business is one of the world's leading suppliers of printable media and other products, with 2012 sales of approximately $730 million and adjusted operating income of approximately $86 million. OCP results are reported as discontinued operations.

Avery Dennison Designed and Engineered Solutions manufactures custom pressure-sensitive labels and coated films for durable goods, electronics and specialty packaging. The business unit's 2012 sales were approximately $180 million, with adjusted operating income of approximately $19 million. DES results are currently reported in Other specialty converting businesses, but will be reclassified as discontinued operations as of the first quarter.

Combined 2012 adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) for OCP and DES was approximately $110 million.

J.P. Morgan Securities LLC advised Avery Dennison on the transaction. Latham & Watkins served as Avery Dennison's legal counsel.

Non-GAAP Financial Measures

Adjusted Operating Income for OCP and DES refers to operating income before interest, taxes, restructuring charges, general overhead allocations and transaction costs.

EBITDA for OCP and DES refers to adjusted operating income before depreciation and amortization.

These non-GAAP financial measures are not in accordance with, nor are they a substitute for, the comparable GAAP financial measures. Non-GAAP financial measures exclude the impact of certain events, activities or strategic decisions. The accounting effects of these events, activities or decisions, which are included in the comparable GAAP financial measures, may make it difficult to assess the transaction. By excluding certain accounting effects, both positive and negative, from these GAAP financial measures, we believe that we are providing meaningful supplemental information to facilitate an understanding of the transaction. While some of the items we exclude from GAAP financial measures may recur, they tend to be disparate in amount, frequency, and timing.

About Avery Dennison

Avery Dennison (NYSE:AVY) is a global leader in labeling and packaging materials and solutions. The company's applications and technologies are an integral part of products used in every major market and industry. With operations in more than 50 countries and 30,000 employees worldwide, Avery Dennison serves customers with insights and innovations that help make brands more inspiring and the world more

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intelligent. Headquartered in Pasadena, California, the company reported sales from continuing operations of $6 billion in 2012. Learn more at www.averydennison.com.

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"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995:

Certain statements contained in this press release are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements and financial or other business targets are subject to certain risks and uncertainties. Actual results and trends may differ materially from historical or anticipated results depending on a variety of factors, including but not limited to risks and uncertainties relating to the following: (1) the occurrence of any event, change or other circumstance that could give rise to the termination of the definitive agreement; (2) the outcome of any legal proceedings that may be instituted against the Company and others following the announcement of the definitive agreement; (3) the inability to complete a transaction due to the failure to satisfy conditions to the transaction; and (4) risks that the proposed transaction disrupts current plans and operations and the potential difficulties in employee retention as a result of announcing the transaction.

For a discussion of the risk factors that could affect the Company's financial performance, see Part I, Item 1A. "Risk Factors" and Part II, Item 7. "Management's Discussion and Analysis of Results of Operations and Financial Condition" in the Company's most recent Form 10-K, filed on February 28, 2011, and subsequent quarterly reports on Form 10-Q.

The forward-looking statements included in this press release are made only as of the date of this press release, and the Company undertakes no obligation to update the forward-looking statements to reflect subsequent events or circumstances.

The financial information presented in this press release is preliminary and unaudited.

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